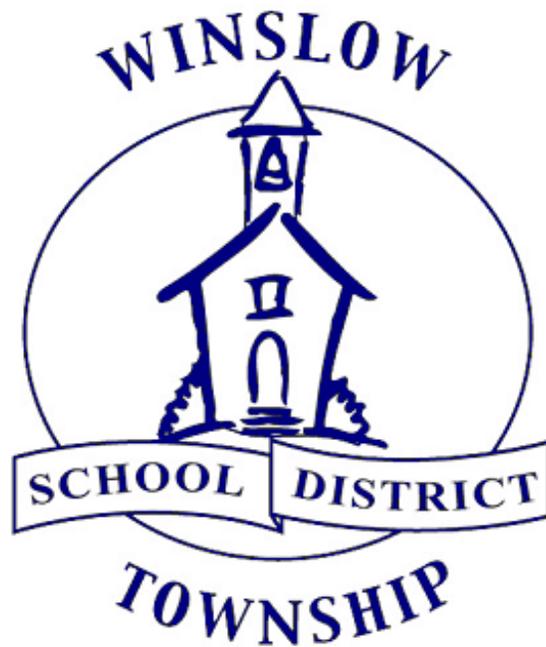


**BOARD OF EDUCATION
OF THE
TOWNSHIP OF WINSLOW
SCHOOL DISTRICT**



**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2014**

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
Table of Contents

	<u>Page</u>
INTRODUCTORY SECTION	
Letter of Transmittal	2
Organizational Chart	8
Roster of Officials	9
Consultants and Advisors	10
FINANCIAL SECTION	
Independent Auditor's Report	12
Required Supplementary Information – Part I Management’s Discussion and Analysis	18
Basic Financial Statements	
A. District-Wide Financial Statements:	
A-1 Statement of Net Position	26
A-2 Statement of Activities	27
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	30
B-2 Statement of Revenues, Expenditures and Changes in Fund Balances	31
B-3 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	33
Proprietary Funds:	
B-4 Statement of Net Position	34
B-5 Statement of Revenues, Expenses and Changes in Fund Net Position	35
B-6 Statement of Cash Flows	36
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Position	37
B-8 Statement of Changes in Fiduciary Net Position	38
Notes to the Financial Statements	39
Required Supplementary Information – Part II	
C. Budgetary Comparison Schedules	
C-1 Budgetary Comparison Schedule – General Fund	64
C-1a Combining Schedule of Revenues, Expenditures and Changes In Fund Balance – Budget and Actual	N/A
C-1b Community Development Block Grant – Budget and Actual	N/A
C-2 Budgetary Comparison Schedule – Special Revenue Fund	75
Notes to the Required Supplementary Information	
C-3 Budgetary Comparison Schedule – Note to RSI	77

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
Table of Contents (Cont'd)

	Page
Other Supplementary Information	
D. School Based Budget Schedules:	
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(s) of Revenues and Expenditures – Budgetary Basis	80
E-2 Preschool Education Aid Schedule of Expenditures – Budgetary Basis	84
F. Capital Projects Fund:	
F-1 Summary Schedule of Project Expenditures	86
F-2 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budgetary Basis	87
F-2a Schedule(s) of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis	88
G. Proprietary Funds:	
Enterprise Fund:	
G-1 Combining Statement of Net Position	93
G-2 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	94
G-3 Combining Statement of Cash Flows	95
Internal Service Fund:	
G-4 Combining Statement of Net Position	N/A
G-5 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	N/A
G-6 Combining Statement of Cash Flows	N/A
H. Fiduciary Funds:	
H-1 Combining Statement of Fiduciary Net Position	97
H-2 Combining Statement of Changes in Fiduciary Net Position	98
H-3 Student Activity Agency Fund Schedule of Receipts and Disbursements	99
H-4 Payroll Agency Fund Schedule of Receipts and Disbursements	100

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
Table of Contents (Cont'd)

	Page
Other Supplementary Information (Cont'd)	
I. Long-Term Debt:	
I-1 Schedule of Serial Bonds	102
I-2 Schedule of Obligations under Capital Leases	103
I-3 Debt Service Fund Budgetary Comparison Schedule	104
 STATISTICAL SECTION (Unaudited) 	
Introduction to the Statistical Section	
Financial Trends	
J-1 Net Position by Component	107
J-2 Changes in Net Position	108
J-3 Fund Balances—Governmental Funds	111
J-4 Changes in Fund Balances—Governmental Funds	112
J-5 General Fund Other Local Revenue by Source	114
Revenue Capacity	
J-6 Assessed Value and Estimated Actual Value of Taxable Property	116
J-7 Direct and Overlapping Property Tax Rates	117
J-8 Principal Property Taxpayers	118
J-9 Property Tax Levies and Collections	119
Debt Capacity	
J-10 Ratios of Outstanding Debt by Type	121
J-11 Ratios of General Bonded Debt Outstanding	122
J-12 Direct and Overlapping Governmental Activities Debt	123
J-13 Legal Debt Margin Information	124
Demographic and Economic Information	
J-14 Demographic and Economic Statistics	126
J-15 Principal Employers	127
Operating Information	
J-16 Full-time Equivalent District Employees by Function/Program	129
J-17 Operating Statistics	130
J-18 School Building Information	131
J-19 Schedule of Required Maintenance	132
J-20 Insurance Schedule	133
 SINGLE AUDIT SECTION 	
K-1 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	15
K-2 Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 and State of New Jersey Circular 04-04-OMB	135
K-3 Schedule of Expenditures of Federal Awards, Schedule A	137
K-4 Schedule of Expenditures of State Financial Assistance, Schedule B	139
K-5 Notes to the Schedules Federal Awards and State Financial Assistance	143
K-6 Schedule of Findings and Questioned Costs	145
K-7 Summary Schedule of Prior Audit Findings	150

INTRODUCTORY SECTION



Winslow Township School District

40 Coopers Folly Road, Atco, NJ 08004-2620
(856) 767-2850

H. Major Poteat, Ed.D.
Superintendent

Tyra McCoy-Boyle
Business Admin./Board Secretary

November 17, 2014

Honorable President and
Members of the Board of Education
Township of Winslow School District
County of Camden
Atco, New Jersey 08004

Dear Board Members:

The comprehensive annual financial report of the Winslow Township School District (District) for the fiscal year ended June 30, 2014, 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 presented in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes the transmittal letter, Management's Discussion and Analysis (MD&A), the District's organizational chart, and a list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. 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 State of New Jersey Circular 04-04-0MB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments". Information related to this single audit, including the auditor's report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133 and State of New Jersey Circular 04-04-0MB, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES

The Township of Winslow was created by an act of the Senate and General Assembly on March 8, 1845. Winslow Township, created from a part of Gloucester Township, contains 57.4 square miles. The Winslow Township community is made up of the smaller towns of: Albion, Ancora, Atco, Blue Anchor, Braddock, Cedar Brook, Elm, Rosedale, Sicklerville, Tansboro, West Atco, Waterford Works, and Winslow. The western end of the Township has become mostly residential, while the eastern end still contains many family farms. The residential population of the community is approximately 39,500. The Winslow Township Municipal Building is located at 125 South Rt. 73 in the Braddock section of the Township and the Board of Education is located at 40 Coopers Folly Road in Atco.

Winslow Township School District, with a current enrollment of approximately 4,800 pupils and, in its current configuration as a PK-12 school district, was formed July 1, 2001 after the Lower Camden County Regional School District #1 (LCCR) was dissolved by public referendum in 1998. Prior to July 2001, the Winslow Township School District had a PK-6 grade level configuration with a pupil population of approximately 3,500, sending both junior and senior high school students to the LCCR Edgewood Junior and Senior High Schools.

The District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. The Winslow Township Board of Education and its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular, as well as special education for handicapped youngsters.

2. MAJOR INITIATIVES

The following initiatives have been supported by the Annual School District Budgets and were accomplished during this period:

- o Curriculum writing to update and align curriculum with the Common Core Content Standards
- o Purchased reading and writing materials
- o Textbook Purchased
 - o Algebra 1 and Algebra 2
 - o Geometry
 - o Environmental Science
 - o Microbiology
 - o Genetics
 - o Social Studies

2. MAJOR INITIATIVES (CONT'D)

- o Technology Purchased
 - o Mimio Boards
 - o Scanners
 - o Desktop computers
 - o Chromebooks
 - o Marker Boards
 - o IPad Security Carts
 - o Chrome Carts
 - o Software Care/Renewal
 - o Projector Mounts
 - o Wireless Access Points

- o Facilities
 - o Replaced exterior doors – Schools No. 1, 2, 3 and 4
 - o Electrical upgrades – Schools No. 1, 2, 3 and 4
 - o Installed outdoor field lighting at the High School
 - o Replacement of unit ventilators – School No. 3
 - o Purchased new classroom desks and chairs Schools 1 through 6 and the Middle School
 - o Purchased new library furniture – School #5 and the Middle School
 - o Mulched all playgrounds
 - o Sanded and refinished gym floors in main and auxiliary gyms - School No. 5, 6, Middle School and High School
 - o Repainted parking lot lines and curbs throughout the district

- o Transportation
 - o Purchased 7 new buses (six 54 passenger, one 24 passenger)

2. MAJOR INITIATIVES (CONT'D)

Capital Improvement

Capital improvements continue to provide for maintaining our structures. The District is committed to several projects which include the replacement of unit ventilators in the Middle School, HVAC upgrades, security upgrades building skin and ADA upgrades at the High School; Window replacement, site drainage, and mechanical renovations at the Middle School; the rehabilitation of the courtyard at School #2 to improve drainage; and the window replacement at the High School, most of which are partially funded through ROD grants. The District also engaged in a Power Purchase Agreement which provided for the reroofing of Schools No. 5 and No. 6.

3. INTERNAL ACCOUNTING CONTROLS

The Administrative Staff (Management) of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with Accounting Principles Generally Accepted in the United States of America (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognized that: (1) the cost of a 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 awards and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management.

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

4. BUDGETARY CONTROLS

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are canceled or are included as reappropriations of fund balance in the subsequent year. Amounts to be reappropriated are reported as reservations of fund balance at June 30, 2014.

5. ACCOUNTING SYSTEM AND REPORTS

The District's accounting records reflect generally accepted accounting principles, 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 account groups are explained in "Notes to the Financial Statements", Note 1.

6. DEBT ADMINISTRATION

At June 30, 2014 the District's outstanding debt issues included \$15,695,000 of general obligation bonds.

7. CASH MANAGEMENT

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

8. 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.

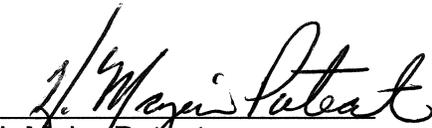
9. OTHER INFORMATION

Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Bowman and Company LLP was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of Amendments of 1996 and the related OMB Circular A-133 and state Treasury Circular Letter 04-04 OMB. This auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules 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.

10. ACKNOWLEDGEMENTS

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

Respectfully submitted,

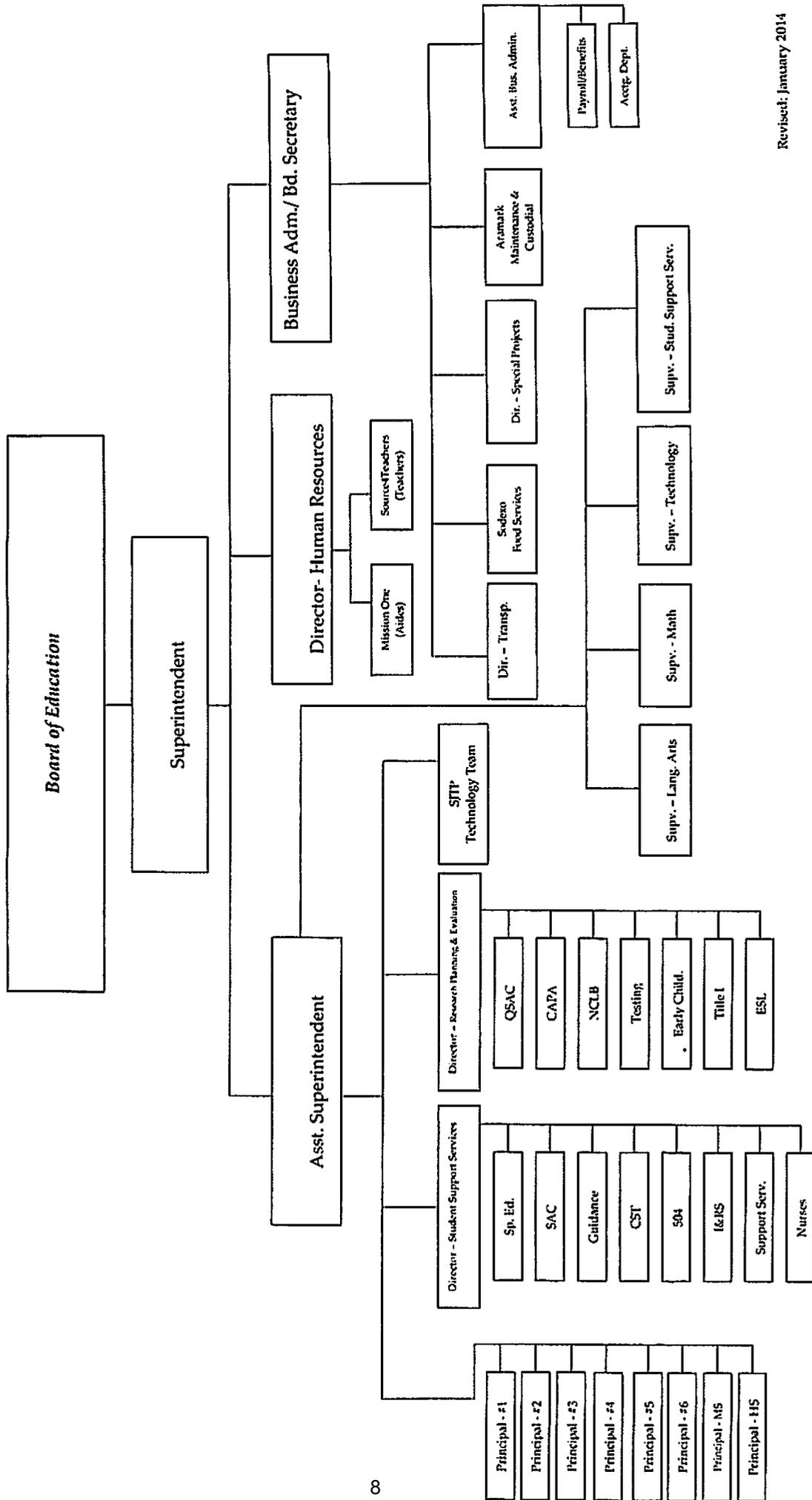


Dr. H. Major Poteat
Superintendent



Tyra McCoy-Boyle
Business Administrator/Board Secretary

**Winslow Township Board of Education
2013-2014 Organizational Chart**



**BOARD OF EDUCATION
WINSLOW TOWNSHIP SCHOOL DISTRICT
WINSLOW, NEW JERSEY**

ROSTER OF OFFICIALS

JUNE 30, 2014

<u>Members of the Board of Education</u>	<u>Title</u>	<u>Term Expires</u>
Cheryl Pitts	President	2015
Julie A. Peterson	Vice President	2016
Ewuniki Brown		2015
Gail Watkins		2015
Gulab Gidwani		2014
Lorraine Dredden		2014
Patricia Davis (Resigned 02/14/14)		2014
Carlos Vascos (Appointed 03/26/14)		2014
Larry Blake		2016
Hassan Wilcox		2016
 <u>Other Officials</u>		
H. Major Poteat, Ed.D.	Superintendent	
Tyra McCoy-Boyle	Board Secretary/School Business Administrator	
Howard Long, Jr.	Solicitor	

**BOARD OF EDUCATION
WINSLOW TOWNSHIP SCHOOL DISTRICT
WINSLOW, NEW JERSEY**

CONSULTANTS AND ADVISORS

JUNE 30, 2014

Architect/Engineer

Armm Associates, Inc
725 Kenilworth Avenue
Cherry Hill, New Jersey 08002

Audit Firm

Bowman & Company LLP
601 White Horse Road
Voorhees, New Jersey 08043

Attorney

Wade, Long, Wood & Kennedy LLC
1250 Chews Landing Road, Suite 1
Laurel Springs, New Jersey 08021

Insurance Broker

Conner Strong
40 Lake Center Executive Park
401 Route 73 North
Marlton, New Jersey 08053

Official Depositories

TD Bank
247 South White Horse Pike
Berlin, New Jersey 08009

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Township of Winslow School District
County of Camden, New Jersey

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 Township of Winslow School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the School 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; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Administration and 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 School District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles 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 Township of Winslow School District in the County of Camden, State of New Jersey, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal 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 as listed in the table of contents 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 Township of Winslow School District's basic financial statements. The accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance, as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and State of New Jersey Circular 04-04-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance are the responsibility of management and were 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 and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 17, 2014 on our consideration of the Township of Winslow School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Township of Winslow School District's internal control over financial reporting and compliance.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Carol McAllister

Carol A. McAllister
Certified Public Accountant
Public School Accountant No. CS 238400

Voorhees, New Jersey
November 17, 2014

**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**

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Township of Winslow School District
County of Camden, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial statement audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Division of Administration and 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 the Township of Winslow School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated November 17, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township of Winslow 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 the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township of Winslow 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the School District's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Winslow 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 Division of Administration and 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 School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards and audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Carol A. McAllister

Carol A. McAllister
Certified Public Accountant
Public School Accountant No. CS 238400

Voorhees, New Jersey
November 17, 2014

REQUIRED SUPPLEMENTARY INFORMATION
PART I

Township of Winslow School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014
(Unaudited)

As management of the Township of Winslow School District, we offer readers of the Township of Winslow School District's financial statements this narrative overview and analysis of the financial activities of the Township of Winslow School District for the fiscal year ended June 30, 2014. The intent of this discussion and analysis is to look at the Township of Winslow School District's financial performance as a whole; readers should also review the information furnished in our letter of transmittal, notes to the basic financial statements, and financial statements to enhance their understanding of the Township of Winslow School District's financial performance.

Financial Highlights

- Net Position - In total, Net Position increased **\$8,123,936**, which represents an **11.5%** increase from 2012-2013.
- General Revenues – General revenues accounted for **\$99,876,897** in revenue or **90.9%** of all revenues. Program specific revenues in the form of charges for services, and operating grants and contributions, accounted for **\$9,966,178** or **9.1%** of total revenues of **\$109,843,075**
- The School District had **\$101,719,139** in expenses; **\$9,966,178** of these expenses were offset by program specific charges for services, grants or contributions.
- Among major funds, the General Fund had **\$99,186,107** in revenues, **\$95,726,819** in expenditures and **\$666,050** in other financing uses. The General Fund's balance increased **\$2,793,238** from 2013. This increase was anticipated by the Board of Education.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Township of Winslow School District's basic financial statements. The Township of Winslow School District's basic financial statements comprise three components: (1) district-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements themselves.

District-wide financial statements - The district-wide financial statements are designed to provide readers with a broad overview of the Township of Winslow School District's finances, in a manner similar to a private-sector business.

The statement of net position (A-1) presents information on all of the Township of Winslow School District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Township of Winslow School District is improving or deteriorating.

The statement of activities (A-2) presents information showing how the Township of Winslow School District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused sick leave).

Township of Winslow School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014
(Unaudited) (Cont'd)

Both of the district-wide financial statements distinguish functions of the Township of Winslow School District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Township of Winslow School District include the education of students in grades Pre-K through 12 at the Township of Winslow School District's eight schools. The business-type activities of the Township of Winslow School District include a food service program and a before-after school child care program. The District ceased operating the Regional Day School effective June 20, 2011.

Fund Financial Statements - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Township of Winslow School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Township of Winslow School District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds - Most of the Township of Winslow School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future periods. These funds are reported using an accounting method called modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Township of Winslow School District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs.

The Township of Winslow School District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, special revenue fund, capital projects fund and the debt service fund, all of which are considered to be major funds.

The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Also, the Township of Winslow School District adopts an annual budget for its each fund with the exception of the capital projects fund. Budgetary comparison schedules have been provided for each to demonstrate compliance with the budgets.

Proprietary Funds - The Township of Winslow School District maintains three types of proprietary funds. Enterprise funds, which are a proprietary fund type used to report an activity for which a fee is charged to external users for goods or services, are used to report the same functions presented as business-type activities in the district-wide financial statements. The Township of Winslow School District uses enterprise funds to account for its food service and before-after school child care program. The School District accounts for the Regional Day School as a discontinued operation.

Proprietary funds provide the same type of information as the district-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the food service, before-after school child care and regional day school programs.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the governmental entity. Fiduciary funds are not reflected in the district-wide financial statements because the resources of those funds are not available to support the Township of Winslow School District's own programs. The District uses trust and agency funds to account for resources held for scholarships, student activities and groups and for payroll transactions.

Township of Winslow School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014
(Unaudited) (Cont'd)

Notes to the Financial Statement - The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements.

District-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Township of Winslow School District, assets exceeded liabilities by **\$78,671,888** at the close of the most recent fiscal year. The table below provides a summary of the School District's net position for June 30, 2014 and 2013.

Winslow Township School District		
Net Position		
	June 30, 2014	June 30, 2013
Current and Other Assets	\$ 25,295,398	\$ 19,824,324
Capital Assets	<u>76,949,760</u>	<u>76,440,975</u>
Total Assets	102,245,158	96,265,299
Deferred Loss on Defeasance of Debt	<u>728,472</u>	<u>852,468</u>
Noncurrent Liabilities	5,385,171	4,827,484
Other Liabilities	<u>18,916,571</u>	<u>21,742,331</u>
Total Liabilities	24,301,742	26,569,815
Net Position		
Invested in Capital Assets, net of related debt	61,088,273	57,982,210
Restricted	21,753,120	18,368,147
Unrestricted	<u>(4,169,505)</u>	<u>(5,802,405)</u>
Total Net Position	<u>\$ 78,671,888</u>	<u>\$ 70,547,952</u>

Township of Winslow School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014
(Unaudited) (Cont'd)

The table below reflects changes in net position for 2014 and 2013.

Change in Net Position		
For the Fiscal Years Ended June 30, 2014 and 2013		
	<u>2014</u>	<u>2013</u>
Revenues:		
Program Revenues:		
Charges for Services	\$ 1,500,168	\$ 1,549,632
Operating Grants & Contributions	8,466,011	9,650,006
General Revenues:		
Property Taxes	45,750,969	44,892,930
Federal & State Aid Not Restricted	44,586,714	44,206,214
Federal & State Aid Restricted	5,221,184	5,535,842
Local Share of Capital Projects	666,050	
Tuition	3,106,503	2,987,299
Other	545,477	(310,833)
Total Revenues	<u>109,843,075</u>	<u>108,511,089</u>
Program Expenses		
Governmental Activities:		
Instruction		
Regular	28,524,313	27,332,367
Special Services	8,749,824	8,097,471
Other	1,758,226	1,505,175
Support Services:		
Instruction	5,785,988	5,450,113
Student & Instruction Related Services	9,640,729	8,654,668
General Administrative Services	1,246,442	1,105,009
School Administrative Services	3,282,036	3,207,212
Other Administrative Services	1,566,329	1,648,763
Plant Operation and Maintenance	10,753,610	8,006,723
Pupil Transportation	7,621,292	7,482,558
Unallocated Benefits	18,705,329	20,149,815
Special Schools		
Transfer of Funds to Charter School	674,253	6,780,574
Debt Service	287,449	963,172
Capital Outlay	398,183	188,752
Amortization of Debt Issuance Costs	-	235,974
Total Expenses, Governmental Activities	<u>98,994,004</u>	<u>100,808,346</u>
Business-type Activities:		
Food Service	2,191,886	2,120,807
Regional Day School		2,913
After School Child Care	533,250	608,426
Total Expenses Business-Type Activities	<u>2,725,135</u>	<u>2,732,145</u>
Total Expenses	<u>101,719,139</u>	<u>103,540,491</u>
Increase/(Decrease) in Net Position	8,123,936	4,970,598
Net Position, July 1	<u>70,547,952</u>	<u>65,577,354</u>
Net Position, June 30	<u>\$ 78,671,888</u>	<u>\$ 70,547,952</u>

Township of Winslow School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014
(Unaudited) (Cont'd)

- The largest portion of the District's net position reflects its investment in capital assets (e.g., land, buildings and improvements, and furniture and equipment); less any related debt (general obligation bonds payable and obligations under capital leases less unspent bond proceeds) used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are *not* available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.
- An additional portion of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* may be used to meet the District's ongoing obligations to students, employees, and creditors.

Financial Analysis of the District's Funds

As stated earlier, the Township of Winslow School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds - The focus of the Township of Winslow School District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Township of Winslow School District's financing requirements. The unreserved fund balance is divided between designated balances and undesignated balances. The District has designated portions of the unreserved fund balance to earmarked resources for certain government-wide liabilities and post employment obligations that are not recognized in the governmental funds. Undesignated balances in the general fund are required by state law to be appropriated in the following year's budget. Fund balances of capital projects and other governmental funds are restricted by state law to be spent for the purpose of the fund and are not available for spending at the District's discretion. The unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

General fund - The general fund is the chief operating fund of the District. At the end of the current fiscal year, the total fund surplus was **\$16,947,389**.

The capital projects fund has a total fund balance of **\$2,368,867**, which will be utilized to complete improvements and renovations to District schools as approved in the 2009-2010 and 2013-2014 budgets.

The debt service fund has a total fund balance of **\$176,631** which is restricted to pay future debt service.

Township of Winslow School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014
(Unaudited) (Cont'd)

Capital Asset and Debt Administration

Capital Assets

The Township of Winslow School District's investment in capital assets for its governmental and business-type activities as of June 30, 2014 amounts to **\$76,949,760** (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, and equipment.

Winslow Township School District		
Capital Assets		
	June 30, 2014	June 30, 2013
Land and Land Improvements	\$ 5,031,852	\$ 4,865,811
Construction in Progress		4,485,573
Building and Building Improvements	107,708,078	101,167,532
Furniture and Equipment	<u>13,299,697</u>	<u>11,764,375</u>
Total Capital Assets	126,039,627	122,283,291
Less: Accumulated Depreciation	<u>(49,089,867)</u>	<u>(45,842,316)</u>
Net Capital Assets	<u><u>\$ 76,949,760</u></u>	<u><u>\$ 76,440,975</u></u>

Additional information on the Township of Winslow School District's capital assets can be found in Note 8.

Long-term Debt Administration

Additional information on the District's long-term debt can be found in Note 8 to the basic financial statements.

Economic Factors

For the 2013-14 school year, the Township of Winslow School District was able to sustain its budget through the township tax levy, federal aid, state aid and miscellaneous revenue sources. Despite unpredictable funding from the State of New Jersey, the district manages to provide an excellent educational opportunity for all the School District students. The School District's budget has grown steadily over the past 5 years. The 2008-2009 budget reflected a spending plan of **\$102,856,735** the 2013-2014 budget contemplates spending **\$103,466,271**, an increase of **0.5%**. These increases are the result of salary increases and cost increases for health benefits and property insurances.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Office of the School Business Administrator at:

Winslow Township Board of Education
 40 Coopers Folly Road
 Atco, NJ 08004

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

TOWNSHIP OF WINSLOW SCHOOL DISTRICT

Statement of Net Position
June 30, 2014

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and Cash Equivalents	\$ 427,557.76	\$ 668,827.01	\$ 1,096,384.77
Receivables, net	10,418,447.94	200,846.02	10,619,293.96
Prepaid Expenses		8,065.62	8,065.62
Inventory		53,775.98	53,775.98
Restricted Cash and Cash Equivalents	13,517,877.79		13,517,877.79
Capital Assets, net	76,800,367.00	149,392.80	76,949,759.80
Total Assets	101,164,250.49	1,080,907.43	102,245,157.92
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred Loss on Defeasance of Debt	728,472.51		728,472.51
LIABILITIES:			
Accounts Payable	3,135,292.52	163,596.06	3,298,888.58
Contracts Payable	962,447.90		962,447.90
Other Current Liabilities	49,765.53		49,765.53
Payable to State Government	82,302.52		82,302.52
Accrued Interest	264,531.25		264,531.25
Unearned Revenue	668,952.86	58,282.40	727,235.26
Noncurrent Liabilities:			
Due within One Year	2,935,633.90		2,935,633.90
Due beyond One Year	15,980,937.45		15,980,937.45
Total Liabilities	24,079,863.93	221,878.46	24,301,742.39
NET POSITION:			
Net Investment in Capital Assets	60,938,879.89	149,392.80	61,088,272.69
Restricted for:			
Other Purposes	19,207,622.89		19,207,622.89
Capital Projects	2,368,867.26		2,368,867.26
Debt Service	176,630.04		176,630.04
Unrestricted (Deficit)	(4,879,141.01)	709,636.17	(4,169,504.84)
Total Net Position	\$ 77,812,859.07	\$ 859,028.97	\$ 78,671,888.04

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

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2014

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular Instruction	\$ 28,524,313.34				\$ (28,524,313.34)		\$(28,524,313.34)
Special Education Instruction	8,749,824.47				(8,749,824.47)		(8,749,824.47)
Other Special Instruction	1,758,226.22				(1,758,226.22)		(1,758,226.22)
Support Services:							
Instruction	5,785,988.45				(5,785,988.45)		(5,785,988.45)
Attendance and Social Work	63,936.39				(63,936.39)		(63,936.39)
Health Services	778,097.54				(778,097.54)		(778,097.54)
Support Services - Students	7,552,133.08				(7,552,133.08)		(7,552,133.08)
Support Services - Instructional Staff	550,155.35				(550,155.35)		(550,155.35)
Educational Media / Library	630,683.45				(630,683.45)		(630,683.45)
Instructional Staff Training Services	65,723.07				(65,723.07)		(65,723.07)
General Administration	1,246,442.05				(1,246,442.05)		(1,246,442.05)
School Administration	3,282,036.42				(3,282,036.42)		(3,282,036.42)
Operations and Maintenance	10,554,785.23				(10,554,785.23)		(10,554,785.23)
Central Services	1,000,371.40				(1,000,371.40)		(1,000,371.40)
Administration Information Technology	565,957.27				(565,957.27)		(565,957.27)
Care and Upkeep of Grounds	150,226.50				(150,226.50)		(150,226.50)
Security Equipment	48,598.00				(48,598.00)		(48,598.00)
Student Transportation	7,621,291.62				(7,621,291.62)		(7,621,291.62)
Unallocated Benefits	11,882,548.00				(11,882,548.00)		(11,882,548.00)
On - behalf T.P.A.F. Pension Contributions:							
Normal Cost	1,532,563.00		\$ 1,532,563.00				
Post-Retirement Medical Contribution	2,512,828.00		2,512,828.00				
Reimbursed T.P.A.F. Social Security Contributions	2,777,389.76		2,777,389.76				
Transfer to Charter School	674,253.00				(674,253.00)		(674,253.00)
Debt Service:							
Interest and Other Charges	287,449.34				(287,449.34)		(287,449.34)
Capital Outlay	398,183.00				(398,183.00)		(398,183.00)
Total Governmental Activities	98,994,003.95	-	6,822,780.76	-	(92,171,223.19)	-	(92,171,223.19)
Business-Type Activities:							
Food Service	2,191,885.87	\$ 782,089.56	1,643,230.17			\$ 233,433.86	233,433.86
Before-After School Program	533,249.53	718,078.13				184,828.60	184,828.60
Total Business-Type Activities	2,725,135.40	1,500,167.69	1,643,230.17	-	-	418,262.46	418,262.46
Total Primary Government	\$ 101,719,139.35	\$ 1,500,167.69	\$ 8,466,010.93	\$ -	(92,171,223.19)	418,262.46	(91,752,960.73)

(Continued)

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Statement of Activities
 For the Fiscal Year Ended June 30, 2014

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, net					\$ 44,021,298.00	\$ 44,021,298.00
Taxes Levied for Debt Service					1,729,671.00	1,729,671.00
Federal and State Aid not Restricted					44,586,713.99	44,586,713.99
Federal and State Aid Restricted					5,221,184.24	5,221,184.24
Local Share Capital Projects					666,050.00	666,050.00
Tuition Received					3,106,502.56	3,106,502.56
Transportation Received					245,750.00	245,750.00
Miscellaneous Income					323,617.12	323,617.12
Special Item:						
Gain/Loss on Disposal of Capital Assets					(12,544.92)	(18,943.92)
Reclassification of Fixed Assets					(1,213,981.17)	(1,213,981.17)
Cancellation of Interfund and Payables						1,209,035.00
Total General Revenues, Special Items, Extraordinary Items and Transfers					98,674,260.82	99,876,896.82
Change in Net Position					6,503,037.63	8,123,936.09
Net Position -- July 1					71,309,821.44	70,547,951.95
Net Position -- June 30					\$ 77,812,859.07	\$ 78,671,888.04

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

FUND FINANCIAL STATEMENTS

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Governmental Funds
 Balance Sheet
 June 30, 2014

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS:					
Cash and Cash Equivalents	\$ 427,557.76		\$ 666,050.00	\$ 176,631.04	\$ 1,270,238.80
Receivables, net	1,602,606.41				1,602,606.41
Due from Other Funds	568,050.28				568,050.28
Receivables from Other Governments	4,683,548.68	\$ 897,617.27	3,213,934.86		8,795,100.81
Restricted Cash	12,675,196.75				12,675,196.75
Total Assets	\$ 19,956,959.88	\$ 897,617.27	\$ 3,879,984.86	\$ 176,631.04	\$ 24,911,193.05
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts Payable	\$ 2,959,805.79	\$ 173,736.73	\$ 1,750.00		\$ 3,135,292.52
Contracts Payable			962,447.90		962,447.90
Interfunds Payable	48,144.52	389.86	546,919.70		595,454.08
Other Current Liabilities	1,621.01				1,621.01
Payable to State Government		82,302.52			82,302.52
Unearned Revenue		668,952.86			668,952.86
Total Liabilities	3,009,571.32	925,381.97	1,511,117.60		5,446,070.89
Fund Balances:					
Restricted:					
Capital Reserve	11,104,791.98				11,104,791.98
Maintenance Reserve	1,570,404.77				1,570,404.77
Capital Projects			2,368,867.26		2,368,867.26
Debt Service				\$ 176,630.04	176,630.04
Excess Surplus -- Designated for Subsequent Year's Expenditures	1,464,871.00				1,464,871.00
Excess Surplus	2,065,089.03				2,065,089.03
Assigned:					
Subsequent Year's Expenditures				1.00	1.00
Other Purposes	3,002,465.11				3,002,465.11
Unassigned	(2,260,233.33)	(27,764.70)			(2,287,998.03)
Total Fund Balances	16,947,388.56	(27,764.70)	2,368,867.26	176,631.04	19,465,122.16
Total Liabilities and Fund Balances	\$ 19,956,959.88	\$ 897,617.27	\$ 3,879,984.86	\$ 176,631.04	

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 \$125,028,440.00 and the accumulated depreciation is \$48,228,073.00

76,800,367.00

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.

(18,916,571.35)

Losses arising from the issuance of refunding bonds that are a result of the difference in the carrying value of the refunded bonds and the new bonds are deferred and amortized over the life of the new bonds.

728,472.51

Interest on long term debt in the statement of activities is accrued, regardless when due.

(264,531.25)

Net position of governmental activities

\$ 77,812,859.07

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

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Governmental Funds
 Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Fiscal Year Ended June 30, 2014

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES:					
Local Tax Levy	\$ 44,021,298.00			\$ 1,729,671.00	\$ 45,750,969.00
Tuition Charges	3,106,502.56				3,106,502.56
Transportation Fees	245,750.00				245,750.00
Miscellaneous	320,562.03	\$ 3,055.09			323,617.12
State Sources	51,253,537.06	1,110,336.22	\$ 583,550.00	1,487,114.00	54,434,537.28
Federal Sources	238,457.69	2,623,734.02			2,862,191.71
Total Revenues	99,186,107.34	3,737,125.33	583,550.00	3,216,785.00	106,723,567.67
EXPENDITURES:					
Current:					
Regular Instruction	25,704,898.08	2,629,817.26			28,334,715.34
Special Education Instruction	8,749,824.47				8,749,824.47
Other Special Instruction	1,758,226.22				1,758,226.22
Support Services and Undistributed Costs:					
Instruction	4,760,791.26	1,025,197.19			5,785,988.45
Attendance and Social Work	63,936.39				63,936.39
Health Services	776,784.54				776,784.54
Support Services - Students	7,550,494.08				7,550,494.08
Support Services - Instructional Staff	550,000.35				550,000.35
Educational Media / Library	615,965.45				615,965.45
Instructional Staff Training Services	65,723.07				65,723.07
General Administration	1,244,204.05				1,244,204.05
School Administration	3,281,737.42				3,281,737.42
Operations and Maintenance	8,527,915.23				8,527,915.23

(Continued)

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Governmental Funds
 Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Fiscal Year Ended June 30, 2014

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
EXPENDITURES (CONT'D):					
Support Services and Undistributed Costs (Cont'd):					
Central Services	\$ 999,777.40				\$ 999,777.40
Administration Information Technology	530,693.27				530,693.27
Care and Upkeep of Grounds	148,522.50				148,522.50
Security	1,800.00				1,800.00
Student Transportation	7,082,617.62				7,082,617.62
Unallocated Benefits	11,892,610.22				11,892,610.22
Other Undistributed Costs					
On-behalf T.P.A.F. Pension Contributions					
Normal Cost	1,532,563.00				1,532,563.00
Post-Retirement Medical Contribution	2,512,828.00				2,512,828.00
Reimbursed T.P.A.F. Social Security Contributions	2,777,389.76				2,777,389.76
Transfer to Charter School	674,253.00				674,253.00
Debt Service:					
Principal				\$ 2,565,000.00	2,565,000.00
Interest and Other Charges				475,157.08	475,157.08
Capital Outlay	3,923,264.04	\$ 86,620.18	\$ 957,660.00		4,967,544.22
Total Expenditures	95,726,819.42	3,741,634.63	957,660.00	3,040,157.08	103,466,271.13
Excess (Deficit) of Revenues over Expenditures	3,459,287.92	(4,509.30)	(374,110.00)	176,627.92	3,257,296.54
OTHER FINANCING SOURCES (USES):					
Transfer to Capital Projects Fund	(666,050.00)		666,050.00		-
Total Other Financing Sources (Uses)	(666,050.00)	-	666,050.00	-	-
Net Change in Fund Balances	2,793,237.92	(4,509.30)	291,940.00	176,627.92	3,257,296.54
Fund Balance -- July 1	14,154,150.64	(23,255.40)	2,076,927.26	3.12	16,207,825.62
Fund Balance -- June 30	\$ 16,947,388.56	\$ (27,764.70)	\$ 2,368,867.26	\$ 176,631.04	\$ 19,465,122.16

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

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Reconciliation of the Statement of Revenues, Expenditures
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Fiscal Year Ended June 30, 2014

Total Net Change in Fund Balances - Governmental Funds		\$ 3,257,296.54
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	\$ (3,247,062.00)	
Debt Service Assessment Charged to Capital Outlay	(26,043.00)	
Capital Outlays	<u>4,967,544.22</u>	1,694,439.22
Repayment of capital leases 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.		
Obligations under Capital Lease		3,919.55
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.		
		2,565,000.00
The issuance of long-term debt (bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental 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 items.		
		28,357.95
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. This amount is the net effect of the difference in the treatment of interest on long-term debt.		
		159,349.79
The net effect of various miscellaneous transactions involving capital assets (i.e., disposals and donations) is to decrease net assets.		
		(1,226,526.09)
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		
		<u>21,200.67</u>
Change in Net Assets of Governmental Activities		<u>\$ 6,503,037.63</u>

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

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
Proprietary Funds
Statement of Net Position
June 30, 2014

	Business-Type Activities - Enterprise Funds			<u>Totals</u>
	<u>Food Service</u>	<u>Regional Day School</u>	<u>Before-After School Program</u>	
ASSETS:				
Current Assets:				
Cash and Cash Equivalents	\$ 251,584.29		\$ 417,242.72	\$ 668,827.01
Accounts Receivable:				
State	3,264.95			3,264.95
Federal	100,238.57			100,238.57
Other	2,321.11		88,676.75	90,997.86
Interfund Accounts Receivable:				
Due Before and After School	1,752.40			1,752.40
Due Students, Net	6,344.64			6,344.64
Prepaid Expenses			8,065.62	8,065.62
Inventories	53,775.98			53,775.98
Total Current Assets	<u>419,281.94</u>		<u>513,985.09</u>	<u>933,267.03</u>
Noncurrent Assets:				
Furniture, Machinery and Equipment	1,011,186.80			1,011,186.80
Less Accumulated Depreciation	(861,794.00)			(861,794.00)
Total Noncurrent Assets	<u>149,392.80</u>	<u>-</u>	<u>-</u>	<u>149,392.80</u>
Total Assets	<u>568,674.74</u>	<u>-</u>	<u>513,985.09</u>	<u>1,082,659.83</u>
LIABILITIES:				
Current Liabilities:				
Interfund Accounts Payable:				
Due General Fund			20,740.72	20,740.72
Due Food Service			1,752.40	1,752.40
Accounts Payable	117,560.83		25,294.51	142,855.34
Unearned Revenue			58,282.40	58,282.40
Total Liabilities	<u>117,560.83</u>		<u>106,070.03</u>	<u>223,630.86</u>
NET POSITION:				
Net Investment in Capital Assets	149,392.80			149,392.80
Unrestricted	301,721.11		407,915.06	709,636.17
Total Net Position	<u>\$ 451,113.91</u>	<u>\$ -</u>	<u>\$ 407,915.06</u>	<u>\$ 859,028.97</u>

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

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
Proprietary Funds
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2014

	Business-Type Activities - Enterprise Fund			
	<u>Food Service</u>	<u>Regional Day School</u>	<u>Before-After School Program</u>	<u>Total Enterprise</u>
OPERATING REVENUES:				
Charges for Services:				
Daily Sales - Reimbursable Programs	\$ 394,111.81			\$ 394,111.81
Daily Sales - Non-Reimbursable Programs	351,147.95			351,147.95
Other Sales	36,829.80			36,829.80
Tuition			\$ 718,078.13	718,078.13
Miscellaneous				
Total Operating Revenues	<u>782,089.56</u>	<u>-</u>	<u>718,078.13</u>	<u>1,500,167.69</u>
OPERATING EXPENSES:				
Management Fees	183,465.68			183,465.68
Salaries	685,765.67		163,573.65	849,339.32
Employee Benefits	153,876.90		18,967.79	172,844.69
Other Purchased Services	56,167.44		341,289.95	397,457.39
General Supplies	88,295.25		9,418.14	97,713.39
Depreciation	33,235.00			33,235.00
Cleaning, Repairs and Maintenance	23,437.03			23,437.03
Insurance	22,097.35			22,097.35
Cost of Sales	945,545.55			945,545.55
Total Operating Expenses	<u>2,191,885.87</u>	<u>-</u>	<u>533,249.53</u>	<u>2,725,135.40</u>
Operating Income / (Loss)	<u>(1,409,796.31)</u>	<u>-</u>	<u>184,828.60</u>	<u>(1,224,967.71)</u>
NONOPERATING REVENUES (EXPENSES):				
State Sources:				
State School Lunch Program	27,240.69			27,240.69
Federal Sources:				
National School Lunch Program	1,164,032.49			1,164,032.49
National School Breakfast Program	266,614.72			266,614.72
Summer Food Service Program	37,572.88			37,572.88
Food Distribution Program	147,769.39			147,769.39
Loss on Disposal of Equipment	(6,399.00)			(6,399.00)
Total Nonoperating Revenues (Expenses)	<u>1,636,831.17</u>	<u>-</u>	<u>-</u>	<u>1,636,831.17</u>
Income (loss) before Transfers	227,034.86	-	184,828.60	411,863.46
Cancellation of Interfund and Payables		\$ 1,209,035.00		1,209,035.00
Change in Net Position	227,034.86	1,209,035.00	184,828.60	1,620,898.46
Net Position -- July 1	<u>224,079.05</u>	<u>(1,209,035.00)</u>	<u>223,086.46</u>	<u>(761,869.49)</u>
Net Position -- June 30	<u>\$ 451,113.91</u>	<u>\$ -</u>	<u>\$ 407,915.06</u>	<u>\$ 859,028.97</u>

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

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Proprietary Funds
 Statement of Cash Flows
 For the Fiscal Year Ended June 30, 2014

	Business-Type Activities - Enterprise Funds			
	Food Service	Regional Day School	Before-After School Program	Total Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from Customers	\$ 794,606.53		\$ 709,853.53	\$ 1,504,460.06
Payments to Employees	(685,765.67)		(142,832.93)	(828,598.60)
Payments for Employee Benefits	(153,876.90)		(18,967.79)	(172,844.69)
Payments to Suppliers	(1,767,074.52)		(428,990.80)	(2,196,065.32)
Budget Appropriations		\$ (118,376.66)		(118,376.66)
Net Cash Provided by (used for) Operating Activities	<u>(1,812,110.56)</u>	<u>(118,376.66)</u>	<u>119,062.01</u>	<u>(1,811,425.21)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:				
State Sources	29,451.50			29,451.50
Federal Sources	1,740,770.48			1,740,770.48
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>1,770,221.98</u>	<u>-</u>	<u>-</u>	<u>1,770,221.98</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Purchases of Capital Assets	(90,222.80)			(90,222.80)
Net Cash Provided by (used for) Capital and Related Financing Activities	<u>(90,222.80)</u>	<u>-</u>	<u>-</u>	<u>(90,222.80)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(132,111.38)	(118,376.66)	119,062.01	(131,426.03)
Cash and Cash Equivalents -- July 1	383,695.67	118,376.66	298,180.71	800,253.04
Cash and Equivalents -- June 30	<u>\$ 251,584.29</u>	<u>\$ -</u>	<u>\$ 417,242.72</u>	<u>\$ 668,827.01</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:				
Operating Income (Loss)	\$ (1,409,796.31)		\$ 184,828.60	\$ (1,224,967.71)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:				
Depreciation and Net Amortization	33,235.00			33,235.00
(Increase) Decrease in Accounts Receivable Other	4,133.75		(20,067.65)	(15,933.90)
(Increase) Decrease in Interfunds Receivable	11,529.10			11,529.10
(Increase) Decrease in Due Students, Net	(3,099.33)			(3,099.33)
(Increase) Decrease in Inventories	(6,973.45)			(6,973.45)
(Increase) Decrease in Prepaid Expenses			(2,213.64)	(2,213.64)
Increase (Decrease) in Accounts Payable	(380,263.26)		25,294.51	(354,968.75)
Increase (Decrease) in Interfund Payable	(60,829.51)	\$ (35,090.08)	(80,622.86)	(176,542.45)
Increase (Decrease) in Other Current Liabilities	(46.55)		11,843.05	11,796.50
Increase (Decrease) in Accrued Salaries Benefits		(83,286.58)		(83,286.58)
Total Adjustments	<u>(402,314.25)</u>	<u>(118,376.66)</u>	<u>(65,766.59)</u>	<u>(586,457.50)</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (1,812,110.56)</u>	<u>\$ (118,376.66)</u>	<u>\$ 119,062.01</u>	<u>\$ (1,811,425.21)</u>

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

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Fiduciary Funds
 Statement of Fiduciary Net Position
 June 30, 2014

	<u>Trust Funds</u>	<u>Agency Funds</u>	
	Unemployment Compensation <u>Trust</u>	Student <u>Activity</u>	<u>Payroll</u>
ASSETS:			
Cash and Cash Equivalents	\$ -	\$ 159,682.51	\$ 432,169.07
Interfund Accounts Receivable:			
Due General Fund			49,989.23
	<hr/>	<hr/>	<hr/>
Total Assets	-	<u>\$ 159,682.51</u>	<u>\$ 482,158.30</u>
LIABILITIES:			
Payable to Student Groups		\$ 159,682.51	
Payroll Deductions and Withholdings			\$ 480,313.59
Interfund Accounts Payable:			
Due General Fund			1,844.71
	<hr/>	<hr/>	<hr/>
Total Liabilities	-	<u>\$ 159,682.51</u>	<u>\$ 482,158.30</u>
NET POSITION:			
Held in Trust for Unemployment Claims and Other Purposes	<u>\$ -</u>		

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

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Fiduciary Funds
 Statement of Changes in Fiduciary Net Position
 For the Fiscal Year Ended June 30, 2014

	<u>Unemployment Compensation Trust</u>
DEDUCTIONS:	
Quarterly Contribution Reports	\$ 296.78
Total Deductions	<u>296.78</u>
Change in Net Position	(296.78)
Net Position -- July 1	<u>296.78</u>
Net Position -- June 30	<u><u>\$ -</u></u>

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

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2014

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Township of Winslow School District (the "School District") have been prepared to conform with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant of these policies.

Description of the Financial Reporting Entity

The School District is a Type II district located in the County of Camden, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education (the "Board"). The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The Superintendent is appointed by the Board to act as executive officer of the School District. The purpose of the School District is to educate students in grades Pre-K through 12 at its eight schools. The School District has an approximate enrollment at June 30, 2014 of 4,909.

The primary criterion for including activities within the School District's reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board Codification of Governmental Accounting and Financial Reporting Standards, is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds of the School District over which the Board exercises operating control. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

Component Units

In evaluating how to define the School District for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statements No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*. Blended component units, although legally separate entities, are in-substance part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and / or its citizens.

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Component Units (Cont'd)**

Based upon the application of these criteria, the School District has no component units, and is not a component unit of another governmental agency.

Government-wide and Fund Financial Statements

The School District's basic financial statements consist of government-wide statements, and fund financial statements which provide a more detailed level of financial information.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental 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 or segment is offset by program revenues. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. It is the policy of the School District to not allocate indirect expenses to functions in the statement of activities. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes and other items not properly included among program revenues are reported instead as general revenues.

In regards to the fund financial statements, the School District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a single column. Fiduciary funds are reported by fund type.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. 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 are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are deemed both available and measurable. Available means when revenues are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal year. Measurable means that the amount of revenue can be determined. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, tuition, reimbursable-type grants, and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the School District.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

The School District reports the following major governmental funds:

General Fund - The general fund is the primary operating fund of the School District. It 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 non-instructional equipment classified in the capital outlay sub-fund.

As required by the New Jersey State Department of Education, the School District includes budgeted capital outlay in this fund. Accounting principles generally accepted in the United States of America, as they pertain to governmental entities, state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey aid, ad valorem tax revenues, and appropriated fund balance. Expenditures are those which result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to, or remodeling of buildings, and the purchase of built-in equipment.

Special Revenue Fund - The special revenue fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Capital Projects Fund - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds. The financial resources are derived from New Jersey Economic Development Authority grants, temporary notes, or serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, or from the general fund by way of transfers from capital outlay or the capital reserve account.

Debt Service Fund - The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

Proprietary funds are used to account for the School District's ongoing organizations and activities, which are operated and financed in a manner similar to those found in the private sector. The measurement focus is upon the determination of net income. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All items not meeting this definition are reported as nonoperating revenues and expenses.

The School District reports the following major proprietary funds:

Food Service Fund - This fund accounts for the financial transactions related to the food service operations of the School District.

Before and After School Program Fund - This fund accounts for the financial activity related to providing day care services for School District students before school, after school and during the summer.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

Regional Day School Fund (Discontinued Operations) - This fund accounts for the financial activity related to providing special education services to behaviorally disabled and multiply disabled students between 7 and 21 years of age. During the fiscal year, this fund was closed and all balances were canceled or transferred to the General Fund.

Fiduciary funds are used to account for assets held by the School District on behalf of outside related organizations or on behalf of other funds within the School District. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds.

The School District maintains the following fiduciary funds:

Agency Funds - Agency funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and / or other funds (i.e., payroll and student activities). The School District retains no equity interest in these funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District maintains the following agency funds: student activity fund and payroll fund.

Private-Purpose Trust Funds - Private-purpose trust funds are used to account for the principal and income for all other trust arrangements that benefit individuals, private organizations, or other governments. The School District maintains the following private-purpose trust funds:

New Jersey Unemployment Compensation Insurance Trust Fund - Revenues consist of contributions that have been included in the annual budget of the School District, employee payroll withholdings, and interest income. Expenditures represent claims incurred for unemployment. During the fiscal year, this fund was closed and balances were canceled or moved to the General Fund.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the School District's policy to use restricted resources first, and then unrestricted resources as they are needed.

Budgets / Budgetary Control

Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds, and are submitted to the county office of education. In accordance with P.L. 2011, c. 202, the School District passed a resolution to move the school board election to the first Tuesday after the first Monday in November, starting in November of 2012, to be held simultaneously with the general election. As a result, a vote is not required on the School District's general fund tax levy for the budget year, other than the general fund tax levy required to support a proposal for additional funds, if any. 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:23A-16.2(f)1. Transfers of appropriations may be made by school board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Budgets / Budgetary Control (Cont'd)**

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 one or more June state aid payments for budgetary purposes only, and the special revenue fund. N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. 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 budgetary basis. The budgetary basis differs from GAAP in that the 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, exhibit C-2, and exhibit I-3, includes all amendments to the adopted budget, if any.

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting, as presented in the general fund budgetary comparison schedule and the special revenue fund budgetary comparison schedule, to the GAAP basis of accounting as presented in the statement of revenues, expenditures and changes in fund balances - governmental funds. Note that the School District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows the modified accrual basis of accounting, with the exception of the aforementioned revenue recognition policy for the one or more June state aid payments.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to assign a portion of the applicable appropriation, is utilized for budgetary control purposes. Encumbrances are a component of fund balance 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 governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, are reflected on the balance sheet as unearned revenues at fiscal year-end.

The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year end.

Cash, Cash Equivalents and Investments

Cash and cash equivalents, for all funds, 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. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. U.S. treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Cash, Cash Equivalents and Investments (Cont'd)**

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.A. 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

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 such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, 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 amount of their deposits to the governmental units.

Inventories

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

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

Inventories recorded on the government-wide financial statements and in the proprietary fund types are recorded as expenses when consumed rather than when purchased.

Tuition Receivable

Tuition charges were established by the School District based on estimated costs. The charges are subject to adjustment when the final costs are determined.

Prepaid Expenses

Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2014.

In the governmental fund financial statements, however, payments for prepaid items are fully recognized as expenditures in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required (*non-allocation method*). This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

Short-Term Interfund Receivables / Payables

Short-term interfund receivables / payables (internal balances) represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund within the School District, and that are due within one year. Such balances are eliminated in the statement of net position to minimize the grossing up of internal balances, thus leaving a net amount due between the governmental and business-type activities that are eliminated in the total government column. Balances with fiduciary activities are not considered to be internal balances; therefore, such balances appear on the statement of net position.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Capital Assets**

Capital assets represent the cumulative amount of capital assets owned by the School District. Purchased capital assets are recorded as expenditures in the governmental fund financial statements and are capitalized at cost on the government-wide statement of net position and proprietary fund statement of net position. In the case of gifts or contributions, such capital assets are recorded at fair market value at the time received.

The School District's capitalization threshold is \$2,000.00. Other costs incurred for repairs and maintenance is expensed as incurred. All reported capital assets, except land and construction in progress, are depreciated. Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land Improvements	20-50 Years	N/A
Buildings and Improvements	20-40 Years	N/A
Furniture and Equipment	8-15 Years	15 Years
Vehicles	8 Years	8 Years

The School District does not possess any infrastructure assets.

Deferred Loss on Refunding of Debt

Deferred loss on refunding arising from the issuance of the refunding bonds is recorded as a deferred outflow of resources. It is amortized in a systematic and rational manner over the duration of the related debt as a component of interest expense.

Tuition Payable

Tuition charges for the fiscal years ended June 30, 2014 and 2013 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied and is recorded as a liability until the revenue is both measurable and the School District is eligible to realize the revenue.

Accrued Salaries and Wages

Certain School District employees who provide services to the School District over the ten-month academic year have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2014, the amounts earned by these employees were disbursed to the employees' own individual savings accounts.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Compensated Absences**

Compensated absences are payments to employees for accumulated time such as paid vacation, paid holidays, sick pay, and sabbatical leave. A liability for compensated absences that is attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the School 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 School District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

The School District uses the vesting method to calculate the compensated absences amount. The entire compensated absence liability, including the employer's share of applicable taxes, is reported on the government-wide financial statements. The portion related to employees in the proprietary funds is recorded at the fund level. The current portion is the amount estimated to be used in the following fiscal year. Expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of employee resignations and retirements. Compensated absences not recorded at the fund level represent a reconciling item between the fund level and government-wide presentations.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner, and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits, and contractually required pension contributions that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources. Bonds are recognized as a liability on the governmental fund financial statements when due.

Bond Discounts / Premiums

Bond discounts / premiums arising from the issuance of long-term debt (bonds) are amortized over the life of the bonds, in systematic and rational method, as a component of interest expense. Bond discounts / premiums are presented as an adjustment of the face amount of the bonds on the government-wide statement of net position and on the proprietary fund statement of net position.

Net Position

Net position represents the difference between the summation of assets and deferred outflows of resources, and the summation of liabilities and deferred inflows of resources. Net position is classified into the following three components:

Net Investment in Capital Assets - This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.

Restricted - Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Unrestricted - Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Fund Balance**

The School District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The School District's classifications, and policies for determining such classifications, are as follows:

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

Restricted - The restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

Committed - The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which, for the School District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action (resolution) it employed to previously commit those amounts.

Assigned - The assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the business administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. Such authority of the business administrator is established by way of a formal job description for the position, approved by the Board of Education.

Unassigned - The unassigned fund balance classification is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, it is the policy of the School District to spend restricted fund balances first. Moreover, when an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order: committed, assigned, then unassigned.

Interfund Activity

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Accounting Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Impact of Recently Issued Accounting Principles**Recently Issued and Adopted Accounting Pronouncements**

In March 2012, the GASB issued Statement 66, *Technical Corrections - 2012 - an amendment of GASB Statements No. 10 and No. 62*. GASBS 66 is to improve accounting and financial reporting by state and local governmental entities by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Since the release of these Statements, questions have arisen concerning differences between the provisions in Statement 54 and Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, regarding the reporting of risk financing activities. Questions also have arisen about differences between Statement 62 and Statements No. 13, *Accounting for Operating Leases with Scheduled Rent Increases*, regarding the reporting of certain operating lease transactions, and No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, concerning the reporting of the acquisition of a loan or a group of loans and the recognition of servicing fees related to mortgage loans that are sold. This Statement is effective for periods beginning after December 15, 2012. The adoption of GASBS 66, however, does not have a material impact on the School District's financial statements.

In April 2013, the GASB issued Statement 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. GASBS 70 is to improve accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. This Statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. The amount of the liability to be recognized should be the discounted present value of the best estimate of the future outflows expected to be incurred as a result of the guarantee. When there is no best estimate but a range of the estimated future outflows can be established, the amount of the liability to be recognized should be the discounted present value of the minimum amount within the range. This Statement requires a government that has issued an obligation guaranteed in a nonexchange transaction to report the obligation until legally released as an obligor. This Statement also requires a government that is required to repay a guarantor for making a payment on a guaranteed obligation or legally assuming the guaranteed obligation to continue to recognize a liability until legally released as an obligor. When a government is released as an obligor, the government should recognize revenue as a result of being relieved of the obligation. This Statement also provides additional guidance for intra-entity nonexchange financial guarantees involving blended component units. This Statement is effective for periods beginning after June 15, 2013. The adoption of GASBS 70, however, does not have any impact on the School District's financial statements.

Recently Issued Accounting Pronouncements

In June 2012, the GASB issued Statement 67, *Financial Reporting for Pension Plans - an amendment of GASB Statement No. 25*. GASBS 67 is to improve the usefulness of pension information included in the general purpose external financial reports (financial reports) of state and local governmental pension plans for making decisions and assessing accountability. This Statement is effective for periods beginning after June 15, 2013. The School District does not administer any state or local pension plans; therefore, the adoption of GASBS 67 will not have any impact on the School District's financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Impact of Recently Issued Accounting Principles (Cont'd)****Recently Issued Accounting Pronouncements (Cont'd)**

In June 2012, the GASB issued Statement 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*. GASBS 68 is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. In addition, this Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement. This Statement is effective for periods beginning after June 15, 2014. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements and expects the impact to be material.

In January 2013, the GASB issued Statement 69, *Government Combinations and Disposals of Government Operations*. GASBS 69 establishes accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this Statement, the term government combinations includes a variety of transactions referred to as mergers, acquisitions, and transfers of operations. This Statement is effective for periods beginning after December 15, 2013. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements although no impact is expected.

In November 2013, the GASB issued Statement 71, *Pension Transition for Contributions made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. GASBS 71 is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. The requirements of this Statement will eliminate the source of a potential significant understatement of restated beginning net position and expense in the first year of implementation of Statement 68 in the accrual-basis financial statements of employers and nonemployer contributing entities. This Statement is effective for fiscal years beginning after June 15, 2014. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements and expects the impact to be material when considered in conjunction with the adoption of Statement No. 68.

Note 2: CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled agency funds such as salary withholdings, and student activity funds, or funds that may pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized.

Note 2: CASH AND CASH EQUIVALENTS (CONT'D)

As of June 30, 2014, the School District's bank balances of \$12,628,895.61 were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 541,352.20
Collateralized by securities held by the pledging financial institution's trust department or agent but not in the depositor-government's name	<u>11,837,543.41</u>
Total	<u>\$ 12,378,895.61</u>

Note 3: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District by inclusion of \$1,000,000.00 on June 27, 2012 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the School District's approved Long Range Facilities Plan ("LRFP"). Upon submission of the LRFP to the Department, a school 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 fiscal year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A school district may also appropriate additional amounts when the express approval of the voters has been obtained by either a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2013 to June 30, 2014 fiscal year is as follows:

Beginning Balance July 1, 2013	\$ 5,000,143.92
Increased by:	
Interest Earnings	1,304.06
Deposits:	
Approved at June 25, 2014 Board Meeting	<u>7,000,000.00</u>
Total Deposits	12,001,447.98
Decreased by:	
Withdrawals:	
Approved Budget Appropriation	619,953.00
Board Resolution June 26, 2013	175,000.00
Board Resolution July 10, 2013	<u>101,703.00</u>
Total Withdrawals	<u>896,656.00</u>
Ending Balance June 30, 2014	<u>\$ 11,104,791.98</u>

The June 30, 2014 LRFP balance of local support costs of uncompleted projects at June 30, 2014 is in excess of the balance in the capital reserve account. The withdrawals from the capital reserve were for use in a Department of Education approved facilities projects, consistent with the School District's LRFP.

Note 4: MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by the School District by inclusion of \$1,000,000.00 on June 27, 2012 for the accumulation of funds for use as required maintenance of school facilities expenditures in subsequent fiscal years. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the maintenance reserve account are restricted to required maintenance of school facilities in the School District's in accordance with the comprehensive maintenance plan pursuant to N.J.A.C.6A:26A-4. A school district may increase the balance in the maintenance reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at fiscal year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both.

The activity of the maintenance reserve for the July 1, 2013 to June 30, 2014 fiscal year is as follows:

Beginning Balance July 1, 2013	\$ 1,000,143.92
Increased by:	
Interest Earnings	260.85
Deposits:	
Approved at June 25, 2014 Board Meeting	<u>570,000.00</u>
Ending Balance June 30, 2014	<u><u>\$ 1,570,404.77</u></u>

Note 5: TRANSFERS TO CAPITAL OUTLAY

During the fiscal year ended June 30, 2014, the School District transferred \$896,656.00 to the capital outlay accounts. The transfer was made from the capital reserve account to supplement capital projects previously approved in the budget certified for taxes and approved by Board pursuant to N.J.A.C. 6A:23A-8.4.

Note 6: ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2014 consisted of accounts (fees for services) and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state programs, the current fiscal year guarantee of federal funds, and the regulated budgetary control of governmental entities in New Jersey.

Accounts receivable as of fiscal year end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

Description	Governmental Funds			Total Governmental Activities	Proprietary Funds		Total Proprietary Funds	Total
	General Fund	Special Revenue Fund	Capital Projects Fund		Food Service	Before - After School Program		
Intergovernmental	\$ 4,683,548.68	\$ 897,617.27	\$ 3,213,934.86	\$ 8,795,100.81	\$ 103,503.52		\$ 103,503.52	\$ 8,898,604.33
Receivables, net	1,602,606.41			1,602,606.41				1,602,606.41
Other	568,050.28			568,050.28	4,073.51	\$ 88,676.75	92,750.26	660,800.54
Total	<u>\$ 6,854,205.37</u>	<u>\$ 897,617.27</u>	<u>\$ 3,213,934.86</u>	<u>\$ 10,965,757.50</u>	<u>\$ 107,577.03</u>	<u>\$ 88,676.75</u>	<u>\$ 196,253.78</u>	<u>\$ 11,162,011.28</u>

Note 7: INVENTORY

Inventory recorded at June 30, 2014 in business-type activities on the government-wide statement of net position, and on the food service enterprise fund statement of net position, consisted of the following:

Food	\$ 26,090.44
Supplies	11,465.83
Commodities	<u>16,219.71</u>
Total	<u>\$ 53,775.98</u>

Note 8: CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2014 is as follows:

	<u>Balance</u> <u>July 1, 2013</u>	<u>Additions</u>	<u>Adjustments/</u> <u>Transfer</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2014</u>
Governmental Activities:					
Capital Assets, not being Depreciated:					
Land	\$ 3,053,818.00				\$ 3,053,818.00
Construction in Progress	4,485,572.74		\$(4,485,572.74)		-
Total Capital Assets not being Depreciated	<u>7,539,390.74</u>	<u>-</u>	<u>(4,485,572.74)</u>	<u>-</u>	<u>3,053,818.00</u>
Capital Assets, being Depreciated:					
Land Improvements	1,811,993.13	\$ 166,041.00	(0.13)		1,978,034.00
Building and Improvements	101,167,532.00	2,054,974.20	4,485,571.80		107,708,078.00
Equipment	10,642,184.00	1,560,904.96	126,667.96	\$(41,246.92)	12,288,510.00
Total Capital Assets, being Depreciated:	<u>113,621,709.13</u>	<u>3,781,920.16</u>	<u>4,612,239.63</u>	<u>(41,246.92)</u>	<u>121,974,622.00</u>
Less Accumulated Depreciation:					
Land Improvements	(1,702,857.00)	(33,040.00)			(1,735,897.00)
Building and Improvements	(36,867,489.00)	(2,256,311.00)			(39,123,800.00)
Equipment	(6,258,300.00)	(957,711.00)	(181,067.00)	28,702.00	(7,368,376.00)
Total Accumulated Depreciation	<u>(44,828,646.00)</u>	<u>(3,247,062.00)</u>	<u>(181,067.00)</u>	<u>28,702.00</u>	<u>(48,228,073.00)</u>
Total Capital Assets, being Depreciated, Net	<u>68,793,063.13</u>	<u>534,858.16</u>	<u>4,431,172.63</u>	<u>(12,544.92)</u>	<u>73,746,549.00</u>
Governmental Activities Capital Assets, Net	<u>\$ 76,332,453.87</u>	<u>\$ 534,858.16</u>	<u>\$ (54,400.11)</u>	<u>\$ (12,544.92)</u>	<u>\$ 76,800,367.00</u>
Business-Type Activities:					
Equipment	\$ 1,122,191.00	\$ 90,222.80	\$(126,673.00)	\$(74,554.00)	\$ 1,011,186.80
Less Accumulated Depreciation	<u>(1,013,670.00)</u>	<u>(33,235.00)</u>	<u>116,956.00</u>	<u>68,155.00</u>	<u>(861,794.00)</u>
Business-Type Activities Capital Assets, Net	<u>\$ 108,521.00</u>	<u>\$ 56,987.80</u>	<u>\$ (9,717.00)</u>	<u>\$ (6,399.00)</u>	<u>\$ 149,392.80</u>

Note 8: CAPITAL ASSETS (CONT'D)

Depreciation expense was charged to functions / programs of the School District for the Governmental Activities as follows:

Regular Instruction	\$ 189,598.00
Support Services:	
Support Services	155.00
Student Support Services	1,639.00
School Athletics (Health)	1,313.00
Educational Media/Library	14,718.00
General Administration	2,238.00
School Administration	299.00
Central Services	594.00
Technology Services	35,264.00
Operation/Custodian	2,026,870.00
Care and Upkeep of Grounds	1,704.00
Security	46,798.00
Transportation	538,674.00
Other	15,058.00
Construction Services	<u>372,140.00</u>
 Total Depreciation Expense	 <u><u>\$3,247,062.00</u></u>

Depreciation expense for the Business-Type activities was charged to functions / programs of the Food Service Program.

Note 9: LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2014, the following changes occurred in long-term obligations for governmental and business-type activities:

	<u>Principal Outstanding July 1, 2013</u>	<u>Additions</u>	<u>Reductions</u>	<u>Principal Outstanding June 30, 2014</u>	<u>Due Within One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 18,260,000.00		\$ (2,565,000.00)	\$ 15,695,000.00	\$ 2,615,000.00
Obligations under Capital Lease	3,919.55		(3,919.55)		
Compensated Absences	<u>2,347,812.40</u>	<u>\$ 83,286.58</u>	<u>(104,487.25)</u>	<u>2,326,611.73</u>	<u>168,280.63</u>
Governmental Activity Long-term Liabilities	<u>\$ 20,611,731.95</u>	<u>\$ 83,286.58</u>	<u>\$ (2,673,406.80)</u>	18,021,611.73	2,783,280.63
Premium on Bonds				900,519.41	153,279.90
Bond Discount				<u>(5,559.80)</u>	<u>(926.63)</u>
				<u>\$ 18,916,571.34</u>	<u>\$ 2,935,633.90</u>
Business-Type Activities:					
Compensated Absences	<u>\$ 83,286.58</u>	<u>\$ -</u>	<u>\$ (83,286.58)</u>	<u>\$ -</u>	<u>\$ -</u>

Note 9: LONG-TERM LIABILITIES (CONT'D)

Bonds Payable - Bonds and loans 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 School District are general obligation bonds.

The School District has three bonds that are outstanding as of June 30, 2014. There are two School Refunding bond issues, which were issued on March 6, 2003, and May 16, 2013. The 2003 School Refunding Bonds were issued to fund the present value of the Pension Liabilities in the amount of \$2,210,000.00 at interest rates varying from 2.00% to 5.37%. The final maturity of these bonds is July 1, 2020. For the 2013 School Refunding Bonds, the School District issued \$13,230,000.00 general obligation bonds at interest rates varying from 2.00% to 4.00% for the current refunding of the 2004 School Refunding Bonds. The final maturity of these bonds is August 1, 2019. The School District issued School Bonds dated July 1, 2008 in the amount of \$3,300,000.00 at interest rates varying from 3.75% to 4.00% for projects and improvements at the schools. The final maturity on these bonds is January 15, 2019.

Principal and interest due on bonds outstanding is as follows:

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 2,615,000.00	\$ 504,509.38	\$ 3,119,509.38
2016	2,670,000.00	428,359.38	3,098,359.38
2017	2,600,000.00	343,125.00	2,943,125.00
2018	2,655,000.00	259,390.63	2,914,390.63
2019	2,720,000.00	162,412.51	2,882,412.51
2020-2021	2,435,000.00	54,065.63	2,489,065.63
	<u>\$ 15,695,000.00</u>	<u>\$ 1,751,862.53</u>	<u>\$ 17,446,862.53</u>

Bonds Authorized but not Issued - As of June 30, 2014, the School District had no authorizations to issue additional bonded debt.

Obligations under Capital Lease - The School District is leasing a postal machine totaling \$20,850.50 under capital leases. All capital leases are for terms of *three to five years*. During the fiscal year, this lease was paid in full.

Compensated Absences - Compensated absences will be paid from the fund from which the employees' salaries are paid.

Note 10: OPERATING LEASES

At June 30, 2014, the School District had operating lease agreements in effect for copy machines. The present value of the future minimum rental payments under the operating lease agreements are as follows:

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Amount</u>
2015	\$ 261,248.52
2016	122,824.52
2017	55,052.52
2018	55,052.52
	<u>\$ 494,178.08</u>

Note 10: OPERATING LEASES (CONT'T)

Rental payments under operating leases for the fiscal year ended June 30, 2014 were \$ 261,248.52.

Note 11: PENSION PLANS

A substantial number of the School District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund and the Public Employees' Retirement System, which are administered by the New Jersey Division of Pensions and Benefits. In addition, several School District employees participate in the Defined Contribution Retirement Program, which is a defined contribution pension plan. This plan is administered by Prudential Financial for the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295

Teachers' Pension and Annuity Fund - The Teachers' Pension and Annuity Fund ("TPAF") is a cost-sharing contributory defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66. The TPAF provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 18A:66.

The contribution requirements of plan members are determined by State statute. In accordance with Chapters 113, 114 and 115, P.L. 1997, plan members enrolled in the TPAF were required to contribute 5% of their annual covered salary. Effective July 1, 2007, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. For employees who were enrolled in the retirement system prior to July 1, 2007, the increase was effective with the payroll period that began immediately after July 1, 2007. Pursuant to the provisions of Chapter 78, P.L. 2011, effective October 1, 2011, the active member contribution rate was increased to 6.5%. An additional 1.0% increase will be phased-in over seven years, which began July 1, 2012. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the district has been required over several preceding fiscal years.

Public Employees' Retirement System - The Public Employees' Retirement System ("PERS") is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955. The PERS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2008, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2008, the increase is effective with the payroll period that begins immediately after July 1, 2008. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased to 6.5% plus an additional 1.0% phased-in over seven years. The phase-in of the additional incremental member contribution amount began July 1, 2012 and increases each subsequent July 1.

Note 11: PENSION PLANS (CONT'D)

Public Employees' Retirement System (Cont'd) - The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

The School District is billed annually for its normal contribution plus any accrued liability. The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

<u>Fiscal Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Regular Pension Contribution</u>	<u>Non-Contributory Group Life Insurance</u>	<u>Paid by School District</u>
2014	\$ 88,472.00	\$ 388,975.00	\$ 477,447.00	\$ 8,120.00	\$ 485,567.00
2013	152,210.00	363,939.00	516,149.00	30,720.00	546,869.00
2012	382,710.00	765,420.00	1,148,130.00	73,150.00	1,221,280.00

Defined Contribution Retirement Program - The Defined Contribution Retirement Program ("DCRP") is a single-employer defined contribution pension fund which was established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered for the Division of Pensions and Benefits by Prudential Financial. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District's contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

<u>Fiscal Year</u>	<u>Total Liability</u>	<u>Paid by District</u>
2014	\$ 9,741.39	\$ 3,429.62
2013	10,608.32	3,743.89
2012	10,352.16	3,748.82

Note 12: STATE POST-RETIREMENT MEDICAL BENEFITS

P.L. 1987, c.384 of P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund ("TPAF") and the Public Employees' Retirement System ("PERS"), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of postemployment medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of postemployment medical benefits for retired State employees and retired educational employees. As of June 30, 2013, there were 100,134 retirees receiving postemployment medical benefits, and the State contributed \$1.07 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in fiscal year 1994.

Note 12: STATE POST-RETIREMENT MEDICAL BENEFITS (CONT'D)

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 retire from a board of education or county college with 25 years of service. The State paid \$173.8 million toward Chapter 126 benefits for 17,356 eligible retired members in fiscal year 2013.

Note 13: ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2014, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement medical costs related to TPAF. The amounts recognized as revenues and expenditures for normal costs and post-retirement medical costs were \$1,532,563.00 and \$2,512,828.00, respectively.

Note 14: RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Property and Liability Insurance - The School 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 - On July 1, 2008, the School District changed its election to fund its New Jersey Unemployment Compensation Insurance to the "Direct Payment Method". As a result of the change, only employees that were employed by the School District up until that date are funded under the "Benefit Reimbursement Method". Under the "Benefit Reimbursement Method" plan, the School 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 School District is billed quarterly for amounts due to the State. During the current school year, there were no distributions or amounts reimbursed under the "Benefit Reimbursement Method".

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 fiscal years:

Fiscal Year Ended June 30,	School District Contributions	Employee Contributions	Amount Reimbursed	Ending Balance
2014				\$ -
2013				296.78
2012	\$ 95,417.88	\$ -	\$ 95,417.88	296.78

Joint Insurance Pool - The School District is a member of the New Jersey School Boards Association Insurance Fund. The Fund provides its members with the following coverage:

- Property (Including Crime and Auto Physical Damage)
- General Liability
- Automobile Liability
- Workers' Compensation
- School Board Legal Liability
- Boiler and Machinery
- Pollution/Environmental Legal Liability

Note 14: RISK MANAGEMENT (CONT'D)

Joint Insurance Pool (Cont'd) - The Fund publishes its own financial report for the fiscal year ended June 30, 2014, which can be obtained from:

New Jersey School Boards Association Insurance
450 Veterans Drive
Burlington, New Jersey 08016

Note 15: DEFERRED COMPENSATION

The School District offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) and 457. The plans, which are administered by the entities listed below, permit 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:

American Express/IDS
H.C. Copeland
Lincoln Investment
Equitable
Franklin Templeton
Thomas Seely
Citi-Street/Metlife
Vanguard
Fidelity Investments
Primerica
Midland National

Note 16: COMPENSATED ABSENCES

The School District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), *Accounting for Compensated Absences*. A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

School District employees who are employed for ten months are entitled to a minimum of ten paid sick leave days per fiscal school year. School District employees who are employed for twelve months are entitled to a minimum of twelve paid sick leave days per fiscal school year. Unused sick leave may be accumulated and carried forward to the subsequent years. School District employees are entitled to three personal days which may be carried forward to subsequent years. Vacation days not used during the year may not be accumulated and carried forward. Benefits paid in any future year will be calculated according to formulas outlined in the School Districts' agreements with the various employee unions and included in the current years' budget.

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. At June 30, 2014, the liability for compensated absences reported on the government-wide statement of net position was \$2,326,611.73, respectively.

Note 17: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2014 is as follows:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 568,050.28	\$ 48,144.52
Special Revenue		389.86
Capital Projects		546,919.70
Proprietary	1,752.40	22,493.12
Fiduciary	48,144.52	
	<u>\$ 617,947.20</u>	<u>\$ 617,947.20</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During the fiscal year 2015, the School District expects to liquidate such interfunds, depending upon the availability of cash flow.

The interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Note 18: CONTINGENCIES

Litigation - The School District is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the School District, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

Note 19: CONCENTRATIONS

The School District depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the School District is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.

Note 20: COMMITMENTS

The School District has one construction project ongoing as of the fiscal year ended June 30, 2014 that is to continue into the subsequent fiscal year. This project, which is related to the capital projects fund, is as follows:

<u>Contract</u>	<u>Commitment Date</u>	<u>Amount Outstanding</u>
High School Window Replacement Project	05/23/14	\$ 957,600.00

Note 21: DEFICIT FUND BALANCES

The School District has a deficit fund balance of \$(27,764.70) in the special revenue fund as of June 30, 2014 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability.

Note 21: DEFICIT FUND BALANCES (CONT'D)

Since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the general and special revenue fund balance deficit does not alone indicate that the School District is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unassigned general fund balance that is reported as a direct result from a delay in the June payments of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of \$(2,260,233.33) is less than the June state aid payments.

Note 22: FUND BALANCES**RESTRICTED**

As stated in note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District's fund balance are summarized as follows:

General Fund -

For Excess Surplus - In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve general fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2014 is \$2,065,089.03. Additionally, \$1,464,871.00 of excess fund balance generated during 2012-2013 has been restricted and designated for utilization in the 2014-2015 budget.

For Capital Reserve Account - As of June 30, 2014, the balance in the capital reserve account is \$11,104,791.98. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

For Maintenance Reserve Account - As of June 30, 2014, the balance in the maintenance reserve account is \$1,570,404.77. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

Capital Projects Fund - On June 4, 2010, the School District entered into two grant agreements with the State of New Jersey Schools Development Authority for \$1,804,646 and \$1,985,111 of grant funds pursuant to the "Educational Facilities Construction and Financing Act" P.L. 2000, c.72 enacted on July 18, 2000 and amended on August 6, 2007 by P.L. 3008, c. 137. The grant agreements were approved to partially fund the roof replacement projects at the Winslow Township High School and Winslow Township Middle School. On May 23, 2014, the School District entered into two additional grant agreements with the State of New Jersey Development for \$533,391.00 and \$28,159.00. The grant agreements were approved to partially fund the High School Window Replacement Project and School No. 2 Courtyard Drainage Project. The School District did not issue bonds to fund any portion of these projects. As of June 30, 2014, the restricted fund balance amount was \$2,368,867.26.

Note 22: FUND BALANCES (CONT'D)**RESTRICTED (CONT'D)**

Debt Service Fund - The debt service fund has a restricted fund balance in the amount of \$176,630.04 as of June 30, 2014. The funds are to be budgeted in future years to retire outstanding debt service obligations of the School District.

ASSIGNED

As stated in note 1, the assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. Specific assignments of the School District's fund balance are summarized as follows:

General Fund -

Other Purposes - As of June 30, 2014, the School District had \$3,002,465.11 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

Debt Service Fund -

For Subsequent Year's Expenditures - The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2015 \$1.00 of debt service fund balance at June 30, 2014.

UNASSIGNED

As stated in note 1, the unassigned fund balance classification represents fund balance that has not been restricted, committed, or assigned to specific purposes. The School District's unassigned fund balance is summarized as follows:

General Fund - As of June 30, 2014, \$(2,260,233.33) of general fund balance was unassigned.

Special Revenue Fund - As of June 30, 2014, the fund balance of the special revenue fund was a deficit of \$(27,764.70), thus resulting in the fund balance classification of unassigned. The deficit is a result from a delay in the payment of state aid until the following fiscal year. As stated in note 22, since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the special revenue fund balance deficit does not alone indicate that the School District is facing financial difficulties. The unassigned deficit on the GAAP financial statement of \$27,764.70 is equal to the last state aid payment.

REQUIRED SUPPLEMENTARY INFORMATION
PART II

BUDGETARY COMPARISON SCHEDULES

TOWNSHIP OF WINSLOW SCHOOL DISTRICT

General Fund
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual Favorable / (Unfavorable)
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 44,021,298.00		\$ 44,021,298.00	\$ 44,021,298.00	\$ 332,521.56
Tuition	2,773,981.00		2,773,981.00	3,106,502.56	245,750.00
Transportation Fees				245,750.00	245,750.00
Miscellaneous	100,047.00		100,047.00	318,997.12	218,950.12
Interest Earned on Capital Reserve Funds				1,304.06	1,304.06
Interest Earned on Maintenance Reserve Funds				260.85	260.85
Total - Local Sources	46,895,326.00	-	46,895,326.00	47,694,112.59	798,786.59
State Sources:					
Categorical Transportation Aid	1,066,545.00		1,066,545.00	1,066,545.00	
Extraordinary Aid	200,000.00		200,000.00	349,781.00	149,781.00
Categorical Special Education Aid	3,025,665.00		3,025,665.00	3,025,665.00	
Equalization Aid	38,341,995.00		38,341,995.00	38,341,995.00	
Categorical Security Aid	1,389,418.00		1,389,418.00	1,389,418.00	
Adjustment Aid	209,733.00		209,733.00	209,733.00	
Other State Aid				71,304.00	71,304.00
On-Behalf T.P.A.F. Pension Contributions (non-budgeted)					
Normal Cost					
Post-Retirement Medical Contribution					
Reimbursed T.P.A.F. Social Security Contributions					
Total - State Sources	44,233,356.00	-	44,233,356.00	51,277,221.76	7,043,865.76
Federal Sources:					
Medicaid	112,915.00		112,915.00	238,457.69	125,542.69
Total - Federal Sources	112,915.00	-	112,915.00	238,457.69	125,542.69
Total Revenues	91,241,597.00	-	91,241,597.00	99,209,792.04	7,968,195.04

(Continued)

TOWNSHIP OF WINSLOW SCHOOL DISTRICT

General Fund

Required Supplementary Information

Budgetary Comparison Schedule

For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual Favorable / (Unfavorable)
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:	\$ 500,000.00	\$ 126,371.75	\$ 500,000.00	\$ 500,000.00	\$ 1.87
Local Contribution - Transfer to Special Revenue	1,051,632.00	101,750.49	1,178,003.75	1,178,001.88	4,155.02
Kindergarten	8,808,245.00	(173,586.24)	8,909,995.49	8,905,840.47	38,780.02
Grades 1-5	5,502,850.00	(27,795.19)	5,329,263.76	5,290,483.74	2,67
Grades 6-8	6,496,290.00		6,468,494.81	6,468,492.14	
Grades 9-12					
Regular Programs - Home Instruction:					
Salaries of Teachers	25,000.00	7,065.51	32,065.51	32,065.51	
Purchased Professional - Educational Services	42,195.00	(18,000.00)	24,195.00	128.19	24,066.81
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	28,000.00	700.00	28,700.00	28,700.00	
Purchased Professional - Educational Services	1,501,009.00	(388,758.00)	1,112,251.00	1,074,848.56	37,402.44
Other Purchased Services (400-500 Series)	212,749.69	17,313.79	230,063.48	201,995.81	28,067.67
General Supplies	1,885,027.65	177,713.90	2,062,741.55	1,798,294.77	264,446.78
Textbooks	300,000.00	416.63	300,416.63	223,544.01	76,872.62
Other Objects	4,136.00	(37.00)	4,099.00	2,503.00	1,596.00
Total Regular Programs	26,357,134.34	(176,844.36)	26,180,289.98	25,704,898.08	475,391.90
Learning and / or Language Disabilities:					
Salaries of Teachers	520,394.00	(5,161.20)	515,232.80	515,231.47	1.33
Purchased Professional - Educational Services	190,986.00	27.00	191,013.00	186,777.66	4,235.34
General Supplies	2,932.07	456.92	3,388.99	2,797.83	591.16
Total Learning and / or Language Disabilities	714,312.07	(4,677.28)	709,634.79	704,806.96	4,827.83
Behavioral Disabilities:					
Salaries of Teachers	374,586.00	15,182.21	389,768.21	389,767.31	0.90
Purchased Professional - Educational Services	155,167.00	(91,262.00)	63,905.00	61,880.05	2,024.95
General Supplies	754.00	50.89	804.89	559.78	245.11
Total Behavioral Disabilities	530,507.00	(76,028.90)	454,478.10	452,207.14	2,270.96

(Continued)

TOWNSHIP OF WINSLOW SCHOOL DISTRICT

General Fund

Required Supplementary Information

Budgetary Comparison Schedule

For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual Favorable / (Unfavorable)
EXPENDITURES (CONTD):					
Current Expense (Cont'd):					
Multiple Disabilities:					
Salaries of Teachers	\$ 575,516.00	\$ (67,398.97)	\$ 508,117.03	\$ 505,819.01	\$ 2,298.02
Purchased Professional - Educational Services	238,804.00	(54,840.00)	183,964.00	181,886.46	2,077.54
General Supplies	30,553.18	(1,998.74)	28,554.44	19,661.45	8,892.99
Total Multiple Disabilities	844,873.18	(124,237.71)	720,635.47	707,366.92	13,268.55
Resource Room / Resource Center:					
Salaries of Teachers	5,110,043.00	509,109.31	5,619,152.31	5,619,150.70	1.61
Purchased Professional Educational Services	310,281.00	346,190.88	656,471.88	644,575.08	11,896.80
General Supplies	31,847.40	(133.41)	31,713.99	17,083.76	14,630.23
Total Resource Room / Resource Center	5,452,171.40	855,166.78	6,307,338.18	6,280,809.54	26,528.64
Preschool Disabilities - Part Time:					
Salaries of Teachers	372,361.00	24,843.93	397,204.93	397,204.83	0.10
Purchased Professional Services - PSD	119,905.00	17,700.00	137,605.00	133,770.16	3,834.84
General Supplies	11,395.41	(1,145.74)	10,249.67	9,018.25	1,231.42
Total Preschool Disabilities - Part Time	503,661.41	41,398.19	545,059.60	539,993.24	5,066.36
Home Instruction:					
Salaries of Teachers	10,344.00	24.43	10,368.43	3,359.90	7,008.53
Purchased Professional - Educational Services	50,000.00	20,000.00	70,000.00	61,280.77	8,719.23
Total Home Instruction	60,344.00	20,024.43	80,368.43	64,640.67	15,727.76
Total Special Education - Instruction	8,105,869.06	711,645.51	8,817,514.57	8,749,824.47	67,690.10
Basic Skills / Remedial - Instruction:					
Salaries of Teachers	423,244.00	16,348.78	439,592.78	439,592.38	0.40
General Supplies	1,833.00	(800.00)	1,033.00		1,033.00
Total Basic Skills / Remedial - Instruction	425,077.00	15,548.78	440,625.78	439,592.38	1,033.40

(Continued)

TOWNSHIP OF WINSLOW SCHOOL DISTRICT

General Fund
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual Favorable / (Unfavorable)
EXPENDITURES (CONTD):					
Current Expense (Cont'd):					
Bilingual Education - Instruction:					
Salaries of Teachers	\$ 292,594.00	\$ 12,889.74	\$ 305,483.74	\$ 305,479.94	\$ 3.80
General Supplies	296.00	(296.00)			
Total Bilingual Education - Instruction	292,890.00	12,593.74	305,483.74	305,479.94	3.80
School Sponsored Cocurricular Activities - Instruction:					
Salaries	175,993.00	62,708.92	238,701.92	237,755.75	946.17
Purchased Services (300-500 series)	64,687.00	(22,500.00)	42,187.00	38,101.63	4,085.37
Supplies and Materials	10,315.00	3,450.00	13,765.00	9,623.76	4,141.24
Other Objects	1,420.00		1,420.00	710.00	710.00
Total School Sponsored Cocurricular Activities - Instruction	252,415.00	43,658.92	296,073.92	286,191.14	9,882.78
School Sponsored Athletics - Instruction:					
Salaries	465,700.00	61,497.18	527,197.18	527,195.74	1.44
Purchased Services (300-500 series)	112,720.00	(17,858.50)	94,861.50	89,342.96	5,518.54
Supplies and Materials	104,600.77	(884.00)	103,716.77	80,860.56	22,856.21
Other Objects	21,131.00	8,999.50	30,130.50	29,563.50	567.00
Total School Sponsored Athletics - Instruction	704,151.77	51,754.18	755,905.95	726,962.76	28,943.19
Total Instruction	36,137,537.17	658,356.77	36,795,893.94	36,212,948.77	582,945.17
Undistributed Expenditures - Instruction:					
Tuition to Other LEA's Within State - Regular	782,708.91	285,518.00	1,068,226.91	111,080.88	957,146.03
Tuition to Other LEA's Within State - Special	327,496.22	(200,000.00)	127,496.22	93,761.65	33,734.57
Tuition to County Vocational School District - Regular	500,000.00	29,482.00	529,482.00	529,482.00	
Tuition to CSSD and Regional Day Schools	936,000.00	20,000.00	956,000.00	913,278.41	42,721.59
Tuition to Private Schools for the Disabled - Within State	3,503,269.00	(733,000.00)	2,770,269.00	2,533,437.32	236,831.68
Tuition to Private Schools for the Disabled and Other LEA's					
Outside State	10,000.00	44,900.00	54,900.00	50,325.00	4,575.00
Tuition - State Facilities	413,426.00		413,426.00	413,426.00	
Tuition - Other	20,000.00	100,000.00	120,000.00	116,000.00	4,000.00
Total Undistributed Expenditures - Instruction	6,492,900.13	(453,100.00)	6,039,800.13	4,760,791.26	1,279,008.87

(Continued)

TOWNSHIP OF WINSLOW SCHOOL DISTRICT

General Fund
Required Supplementary Information
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual Favorable / (Unfavorable)
EXPENDITURES (CONTD):					
Current Expense (Cont'd):					
Undistributed Expenditures - Attendance and Social Work:					
Salaries	\$ 68,202.00	\$ (4,681.61)	\$ 63,520.39	\$ 63,520.39	\$ 33,248.00
Purchased Professional and Technical Services (400-500 series)	33,248.00		33,248.00		584.00
Supplies and Materials	1,000.00		1,000.00	416.00	
Total Undistributed Expenditures - Attendance and Social Work	102,450.00	(4,681.61)	97,768.39	63,936.39	33,832.00
Undistributed Expenditures - Health Services:					
Salaries	672,778.00	15,224.56	688,002.56	664,688.83	23,313.73
Purchased Professional and Technical Services	48,012.00	48,935.45	96,947.45	89,590.45	7,357.00
Supplies and Materials	18,667.00	15,973.67	34,640.67	22,505.26	12,135.41
Total Undistributed Expenditures - Health Services	739,457.00	80,133.68	819,590.68	776,784.54	42,806.14
Undistributed Expenditures - Other Support Services - Students - Related Services:					
Salaries	1,290,811.00	(3,029.43)	1,287,781.57	1,275,779.77	12,001.80
Purchased Professional - Educational Services	150,000.00	242,680.00	392,680.00	373,467.64	19,212.36
Supplies and Materials	11,039.72		11,039.72	6,913.10	4,126.62
Total Undistributed Expenditures - Other Support Services - Students - Related Services	1,451,850.72	239,650.57	1,691,501.29	1,656,160.51	35,340.78
Undistributed Expenditures - Other Support Services - Students - Extra Services:					
Purchased Professional and Technical Services	2,347,561.30	15,253.36	2,362,814.66	2,267,629.11	95,185.55
Total Undistributed Expenditures - Other Support Services - Students - Extra Services	2,347,561.30	15,253.36	2,362,814.66	2,267,629.11	95,185.55
Undistributed Expenditures - Other Support Services - Students - Regular:					
Salaries of Other Professional Staff	922,449.00	3,831.30	926,280.30	921,225.24	5,055.06
Salaries of Secretarial and Clerical Assistants	148,999.00	(11,913.85)	137,085.15	137,085.11	0.04
Other Purchased Professional and Technical Services	3,401.00	2,000.00	5,401.00	5,292.00	109.00
Miscellaneous Purchased Services (400-500 Series other than Residential Costs)	7,880.00		7,880.00	5,483.81	2,396.19
Supplies and Materials	14,874.55	(3,966.44)	10,908.11	9,783.44	1,124.67
Other Objects	800.00		800.00	279.00	521.00
Total Undistributed Expenditures - Other Support Services - Students - Regular	1,098,403.55	(10,048.99)	1,088,354.56	1,079,148.60	9,205.96

TOWNSHIP OF WINSLOW SCHOOL DISTRICT

General Fund

Required Supplementary Information

Budgetary Comparison Schedule

For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual Favorable / (Unfavorable)
EXPENDITURES (CONTD):					
Current Expense (Cont'd):					
Undistributed Expenditures - Other Support Services - Students - Special:					
Salaries of Other Professional Staff	\$ 2,144,680.00	\$ (49,983.63)	\$ 2,094,696.37	\$ 2,094,691.77	\$ 4.60
Salaries of Secretarial and Clerical Assistants	243,834.00	15,566.68	259,400.68	259,400.68	
Purchased Professional - Educational Services	2,000.00	88,506.11	90,506.11	89,506.11	1,000.00
Other Purchased Services (400-500 Series)	35,001.61	5,500.00	40,501.61	40,500.00	1.61
Miscellaneous Purchased Services (400-500 Series other than Residential Costs)	25,366.00	(94.00)	25,272.00	24,431.18	840.82
Supplies and Materials	39,943.24	572.00	40,515.24	39,026.12	1,489.12
Other Objects	1,500.00		1,500.00		1,500.00
Total Undistributed Expenditures - Other Support Services - Students - Special	2,492,324.85	60,067.16	2,552,392.01	2,547,555.86	4,836.15
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	390,272.00	12,678.85	402,950.85	402,950.85	
Salaries of Other Professional Staff	100.00	1,285.27	1,385.27	1,285.27	100.00
Salaries of Secretarial and Clerical Assistants	50,000.00	1,250.00	51,250.00	51,249.92	0.08
Purchased Prof. - Educational Services	62,000.00		62,000.00	45,504.75	16,495.25
Other Purchased Professional & Technical Services	75,000.00	(61,082.00)	13,918.00	13,918.00	
Other Purchased Services (400-500 series)	1,500.00		1,500.00	385.00	1,115.00
Supplies and Materials	26,000.00	11,550.00	37,550.00	29,841.56	7,708.44
Other Objects	5,000.00		5,000.00	4,865.00	135.00
Total Undistributed Expenditures - Improvement of Instruction Services	609,872.00	(34,317.88)	575,554.12	550,000.35	25,553.77
Undistributed Expenditures - Educational Media Services / School Library:					
Salaries	562,383.00	26,515.58	588,898.58	588,898.58	
Purchased Professional and Technical Services	28,000.00		28,000.00		28,000.00
Other Purchased Services (400-500 series)	18,654.00	(10,773.00)	7,881.00	4,273.30	3,607.70
Supplies and Materials	23,676.00	26,211.51	49,887.51	22,793.57	27,093.94
Other Objects	800.00	(230.00)	570.00		570.00
Total Undistributed Expenditures - Educational Media Services / School Library	633,513.00	41,724.09	675,237.09	615,965.45	59,271.64

(Continued)

TOWNSHIP OF WINSLOW SCHOOL DISTRICT

General Fund

Required Supplementary Information

Budgetary Comparison Schedule

For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual Favorable / (Unfavorable)
EXPENDITURES (CONTD):					
Current Expense (Cont'd):					
Undistributed Expenditures - Instructional Staff Training Services:					
Other Salaries	\$ 75,000.00	\$ 163.48	\$ 75,163.48	\$ 6,702.73	\$ 68,460.75
Purchased Professional - Educational Services	96,750.00	(1,253.92)	95,496.08	55,949.58	39,546.50
Other Purchased Services (400-500 series)	4,445.00	(562.98)	3,882.02	2,568.66	1,313.36
Supplies and Materials	400.00		400.00		400.00
Other Objects	1,000.00		1,000.00	502.10	497.90
Total Undistributed Expenditures - Instructional Staff Training Services:	177,595.00	(1,653.42)	175,941.58	65,723.07	110,218.51
Undistributed Expenditures - Support Services - General Administration:					
Salaries	266,638.00	9,380.86	276,018.86	276,018.79	0.07
Legal Services	200,000.00	8,600.00	208,600.00	206,899.39	1,700.61
Audit Fees	56,600.00		56,600.00	55,750.00	850.00
Architectural and Engineering Services	82,200.00	166,000.00	248,200.00	227,582.97	20,617.03
Other Purchased Professional Services	25,320.00	(2,200.00)	23,120.00	8,725.40	14,394.60
Communications / Telephone	293,845.00	105,292.64	399,137.64	359,613.68	39,523.96
BOE Other Purchased Services	10,000.00		10,000.00	366.66	9,633.34
Other Purchased Services (400-500 series)	128,350.00	(28,000.00)	100,350.00	43,505.53	56,844.47
General Supplies	8,650.00	700.00	9,350.00	7,417.65	1,932.35
Judgments Against the School District	200,000.00	(148,600.00)	51,400.00	17,517.94	33,882.06
Miscellaneous Expenditures	5,500.00	7,000.00	12,500.00	11,311.47	1,188.53
BOE Membership Dues and Fees	35,000.00	(500.00)	34,500.00	29,494.57	5,005.43
Total Undistributed Expenditures - Support Services - General Adminstr.	1,312,103.00	117,673.50	1,429,776.50	1,244,204.05	185,572.45
Undistributed Expenditures - Support Services - School Administration:					
Salaries of Principals / Assistant Principals	1,736,482.00	92,100.18	1,828,582.18	1,828,582.18	
Salaries of Other Professional Staff	219,065.00	17,418.39	236,483.39	236,483.39	
Salaries of Secretarial and Clerical Assistants	1,106,309.00	(7,396.68)	1,098,912.32	1,098,911.12	1.20
Purchased Professional and Technical Services	3,600.00	3,005.00	6,605.00	3,005.00	3,600.00
Other Purchased Services	45,772.00	1,409.74	47,181.74	35,264.04	11,917.70
Supplies and Materials	111,195.26	(17,738.36)	93,456.90	64,203.69	29,253.21
Other Objects	24,573.00	(645.00)	23,928.00	15,288.00	8,640.00
Total Undistributed Expenditures - Support Services - School Administration	3,246,996.26	88,153.27	3,335,149.53	3,281,737.42	53,412.11

(Continued)

TOWNSHIP OF WINSLOW SCHOOL DISTRICT

General Fund

Required Supplementary Information

Budgetary Comparison Schedule

For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual Favorable / (Unfavorable)
EXPENDITURES (CONTD):					
Current Expense (Cont'd):					
Undistributed Expenditures - Central Services:					
Salaries	\$ 910,174.00	\$ (69,269.88)	\$ 840,904.12	\$ 832,458.91	\$ 8,445.21
Purchased Professional Services	150,691.00	(7,000.00)	143,691.00	30,418.31	113,272.69
Purchased Technical Services	46,830.00		46,830.00	19,127.85	27,702.15
Miscellaneous Purchased Services	79,875.00	(6,300.00)	73,575.00	47,278.11	26,296.89
Supplies and Materials	52,419.58	26,746.06	79,165.64	64,825.17	14,340.47
Miscellaneous Expenditures	11,500.00	(300.00)	11,200.00	5,669.05	5,530.95
Total Undistributed Expenditures - Central Services	1,251,489.58	(56,123.82)	1,195,365.76	999,777.40	195,588.36
Undistributed Expenditures - Administration Information Technology:					
Salaries	83,886.00	2,097.15	85,983.15	85,983.15	
Purchased Technical Services	462,334.00	50,000.00	512,334.00	403,215.48	109,118.52
Other Purchased Services	329,579.00	(167,955.00)	161,624.00	34,471.14	127,152.86
Supplies and Materials	8,914.00	3,000.00	11,914.00	7,023.50	4,890.50
Total Undistributed Expenditures - Administration Information Technology	884,713.00	(112,857.85)	771,855.15	530,693.27	241,161.88
Undistributed Expenditures - Required Maintenance for School Facilities:					
Cleaning, Repair and Maintenance Services	2,986,706.25	274,130.70	3,260,836.95	3,089,823.42	171,013.53
Total Undistributed Expenditures - Required Maintenance for School Facilities	2,986,706.25	274,130.70	3,260,836.95	3,089,823.42	171,013.53
Undistributed Expenditures - Operation and Maintenance of Plant Services:					
Salaries	42,500.00	5,165.18	47,665.18	47,665.18	
Purchased Professional and Technical Services	82,643.00	(29,540.00)	53,103.00	43,159.67	9,943.33
Cleaning, Repair and Maintenance Services	3,187,532.90	(279,200.20)	2,908,332.70	2,892,263.70	16,069.00
Other Purchased Property Services	319,609.00	3,175.00	322,784.00	321,999.76	784.24
Insurance	391,226.00	25,000.00	416,226.00	415,602.00	624.00
General Supplies	162,114.11	(10,475.00)	151,639.11	147,761.91	3,877.20
Energy (Heat, Electricity, Natural Gas, Oil)	1,705,612.00	(59,052.00)	1,646,560.00	1,569,639.59	76,920.41
Total Undistributed Expenditures - Operation and Maintenance of Plant Services	5,891,237.01	(344,927.02)	5,546,309.99	5,438,091.81	108,218.18

(Continued)

TOWNSHIP OF WINSLOW SCHOOL DISTRICT

General Fund

Required Supplementary Information

Budgetary Comparison Schedule

For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual Favorable / (Unfavorable)
EXPENDITURES (CONTD):					
Current Expense (Cont'd):					
Undistributed Expenditures - Care and Upkeep of Grounds					
Cleaning, Repair and Maintenance Services	\$ 92,609.00	\$ 237,132.00	\$ 329,741.00	\$ 148,522.50	\$ 181,218.50
Total Undistributed Expenditures - Care and Upkeep of Grounds	92,609.00	237,132.00	329,741.00	148,522.50	181,218.50
Undistributed Expenditures - Security					
Security Supplies and Materials	301,800.00	(291,000.00)	10,800.00	1,800.00	9,000.00
Total Undistributed Expenditures - Security Equipment	301,800.00	(291,000.00)	10,800.00	1,800.00	9,000.00
Undistributed Expenditures - Student Transportation Services:					
Salaries for Pupil Transportation (Between Home and School) - Regular	2,183,079.00	82,164.37	2,265,243.37	2,251,344.30	13,899.07
Salaries for Pupil Transportation (Between Home and School) - Special Ed	382,498.00	14,414.57	396,912.57	396,911.99	0.58
Management Fee - ESC & CTSA Transportation Programs	65,000.00	10,086.00	75,086.00	75,085.57	0.43
Other Purchased Professional and Technical Services	395,610.00	(170,000.00)	225,610.00	221,059.67	4,550.33
Cleaning, Repair, & Maintenance Services	287,160.00	(99,045.26)	188,114.74	171,615.70	16,499.04
Contracted Services (Between Home and School) - Vendors	132,231.00		132,231.00	132,231.00	
Contracted Services (Between Home and School) - Joint Agreement	35,000.00	(52,362.90)	35,000.00	28,959.20	6,040.80
Contracted Services (Special Education Students) - Vendors	215,850.00		163,487.10	163,141.10	346.00
Contracted Services (Special Education Students) - Joint Agreement	40,220.00	6,009.17	46,229.17	46,229.17	
Aid-in-Lieu-of Payments	182,564.00	137,077.21	319,641.21	319,641.21	
Contracted Services - Aid-in-Lieu of Payments - Choice Schools	53,040.00	80,421.43	133,461.43	133,461.43	
Contracted Services (Regular Students) - ESCs & CTSA	900,000.00	9,000.00	909,000.00	909,000.00	
Contracted Services (Special Education Students) - ESCs & CTSA	510,166.00	(15,458.74)	494,707.26	494,707.26	
Miscellaneous Purchased Services - Transportation	267,973.00	45,459.73	313,432.73	307,736.88	5,695.85
Supplies and Materials	887,373.63	553,130.88	1,440,504.51	1,417,901.46	22,603.05
Other Object	135,563.00	(115,917.52)	19,645.48	13,591.68	6,053.80
Total Undistributed Expenditures - Student Transportation Services	6,673,327.63	484,978.94	7,158,306.57	7,082,617.62	75,688.95
Unallocated Benefits:					
Social Security Contributions	900,000.00		900,000.00	518,893.42	381,106.58
Other Retirement Contributions - Regular	963,269.00		963,269.00	485,567.00	477,702.00
Unemployment Compensation	700,000.00		500,000.00	160,443.46	339,556.54
Workmen's Compensation	700,000.00	(25,000.00)	675,000.00	566,048.19	108,951.81
Health Benefits	11,577,700.00	58,784.07	11,636,484.07	9,468,765.72	2,167,718.35
Tuition Reimbursement	163,930.00		163,930.00	56,268.87	107,661.13
Other Employee Benefits	810,000.00	(125,012.00)	684,988.00	636,623.56	48,364.44
Total Unallocated Benefits	15,614,899.00	(91,227.93)	15,523,671.07	11,892,610.22	3,631,060.85

(Continued)

TOWNSHIP OF WINSLOW SCHOOL DISTRICT

General Fund

Required Supplementary Information

Budgetary Comparison Schedule

For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual Favorable / (Unfavorable)
EXPENDITURES (CONTD):					
Current Expense (Cont'd):					
On-behalf T.P.A.F. Pension Contributions (non-budgeted)				\$ 1,532,563.00	\$ (1,532,563.00)
Normal Cost				2,512,828.00	(2,512,828.00)
Post-Retirement Medical Contribution				2,777,389.76	(2,777,389.76)
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)					
Total On-behalf Contributions	-	-	-	6,822,780.76	(6,822,780.76)
Total Undistributed Expenditures	\$ 54,401,808.28	\$ 238,958.75	\$ 54,640,767.03	54,916,353.61	(275,586.58)
Total Current Expense	90,539,345.45	897,315.52	91,436,660.97	91,129,302.38	307,358.59
Capital Outlay:					
Equipment:					
Undistributed Expenditures - Instruction	116,433.00		116,433.00	116,433.00	
Other Student Support Services - Nursing Equipment		5,395.02	5,395.02	5,395.02	
Undistributed Expenditures - General Administration		14,900.00	14,900.00	14,888.00	12.00
Other Student Support Services - Equipment Central Services		2,903.94	2,903.94	2,903.94	
Undistributed Expenditures - Admin Info Tech	43,873.00	181,231.00	225,104.00	103,175.00	121,929.00
Undistributed Expenditures - Care and Upkeep of Grounds		43,300.00	43,300.00	6,250.00	37,050.00
Undistributed Expenditures - Security Equipment	324,126.00	442,242.00	766,368.00	324,368.00	442,000.00
Non Instructional Equipment - Student Transportation	38,290.69		38,290.69	38,290.69	
School Buses - Regular	1,196,484.00		1,196,484.00	596,484.00	600,000.00
School Buses - Special	195,930.00		195,930.00	95,930.00	100,000.00
Grades 1-5	13,574.00	14,280.00	27,854.00	13,574.00	14,280.00
Grades 6-8	42,392.01	9,301.13	51,693.14	19,313.01	32,380.13
Grades 9-12	385,469.75	(24,209.75)	361,260.00	236,764.00	124,496.00
Instruction Equipment		12,968.75	12,968.75	12,968.75	
Total Equipment	2,356,572.45	702,312.09	3,058,884.54	1,586,737.41	1,472,147.13
Facilities Acquisition and Constructing Services:					
Architectural / Engineering Services	306,375.00	(25.00)	306,350.00	41,425.00	264,925.00
Other Purchased Prof. and Tech. Services	80,700.00	25.00	80,725.00	37,725.00	43,000.00
Construction Services	4,448,000.43	(372,325.00)	4,075,675.43	2,231,333.63	1,844,341.80
Other Objects	438,197.00	(17,022.00)	421,175.00		421,175.00
Assessment for Debt Service on SDA Funding	26,043.00		26,043.00	26,043.00	
Total Facilities Acquisition and Constructing Services	5,299,315.43	(389,347.00)	4,909,968.43	2,336,526.63	2,573,441.80
Total Capital Outlay	7,655,887.88	312,965.09	7,968,852.97	3,923,264.04	4,045,588.93

(Continued)

TOWNSHIP OF WINSLOW SCHOOL DISTRICT

General Fund
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual Favorable / (Unfavorable)
EXPENDITURES (CONTD):					
Transfer of Funds to Charter Schools	\$ 2,493,975.00	\$ (1,599,627.61)	\$ 894,347.39	\$ 674,253.00	\$ 220,094.39
Interest Deposit to Capital Reserve	47.00		47.00		47.00
Total Expenditures	<u>100,689,255.33</u>	<u>(389,347.00)</u>	<u>100,299,908.33</u>	<u>95,726,819.42</u>	<u>4,573,088.91</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(9,447,658.33)</u>	<u>389,347.00</u>	<u>(9,058,311.33)</u>	<u>3,482,972.62</u>	<u>12,541,283.95</u>
Other Financing Sources (Uses):					
Transfer to Capital Projects Fund		(666,050.00)	(666,050.00)	(666,050.00)	
Total Other Financing Sources (Uses)	<u>-</u>	<u>(666,050.00)</u>	<u>(666,050.00)</u>	<u>(666,050.00)</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(9,447,658.33)</u>	<u>(276,703.00)</u>	<u>(9,724,361.33)</u>	<u>2,816,922.62</u>	<u>12,541,283.95</u>
Fund Balances, July 1	<u>18,387,430.24</u>	<u>-</u>	<u>18,387,430.24</u>	<u>18,387,430.24</u>	<u>-</u>
Fund Balances, June 30	<u>\$ 8,939,771.91</u>	<u>\$ (276,703.00)</u>	<u>\$ 8,663,068.91</u>	<u>\$ 21,204,352.86</u>	<u>\$ 12,541,283.95</u>
Recapitulation:					
Restricted Fund Balance:				\$ 11,104,791.98	
Capital Reserve				1,570,404.77	
Maintenance Reserve				1,464,871.00	
Excess Surplus - Designated for Subsequent Year's Expenditures				2,065,089.03	
Excess Surplus					
Assigned Fund Balance:				3,002,465.11	
Year-End Encumbrances				1,996,730.97	
Unassigned Fund Balance				21,204,352.86	
Reconciliation to Governmental Funds Statement (GAAP):					
Last State Aid Payment Not Recognized on GAAP Basis				4,256,964.30	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 16,947,388.56</u>	

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Special Revenue Fund
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable / (Unfavorable)
REVENUES:					
Local Sources:					
Revenue from Local Sources	\$ 1,000.00	\$ 62,069.85	\$ 63,069.85	\$ 1,873.69	\$ (61,196.16)
Total - Local Sources	<u>1,000.00</u>	<u>62,069.85</u>	<u>63,069.85</u>	<u>1,873.69</u>	<u>(61,196.16)</u>
State Sources:					
Preschool Education Aid	983,571.00		983,571.00	787,033.10	(196,537.90)
School Based Youth Program		270,078.00	270,078.00	264,830.34	(5,247.66)
Nonpublic Aid		136,652.00	136,652.00	59,597.14	(77,054.86)
Total - State Sources	<u>983,571.00</u>	<u>406,730.00</u>	<u>1,390,301.00</u>	<u>1,111,460.58</u>	<u>(278,840.42)</u>
Federal Sources:					
Title I	705,852.00	339,322.53	1,045,174.53	903,481.80	(141,692.73)
Title II Part A	154,363.00	171,756.97	326,119.97	224,497.76	(101,622.21)
Title III	10,764.00	11,141.77	21,905.77	21,182.25	(723.52)
Title III - Immigrant		126.50	126.50	126.50	(126.50)
I.D.E.A., Part B	1,004,137.00	331,429.88	1,335,566.88	1,246,814.97	(88,751.91)
I.D.E.A., Part B, Preschool Incentive		64,852.90	64,852.90	53,813.38	(11,039.52)
Race to the Top		15,063.25	15,063.25	15,063.25	
JROTC		79,097.49	79,097.49	79,097.49	
Carl D. Perkins Vocational and Technical Education Act		44,848.00	44,848.00	43,752.85	(1,095.15)
Total - Federal Sources	<u>1,875,116.00</u>	<u>1,057,639.29</u>	<u>2,932,755.29</u>	<u>2,587,703.75</u>	<u>(345,051.54)</u>
Total Revenues	<u>2,859,687.00</u>	<u>1,526,439.14</u>	<u>4,386,126.14</u>	<u>3,701,038.02</u>	<u>(685,088.12)</u>

(Continued)

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Special Revenue Fund
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable / (Unfavorable)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	\$ 2,290,764.00	\$ (1,080,784.73)	\$ 1,209,979.27	\$ 1,077,434.90	\$ 132,544.37
Purchased Professional and Technical Services	154,363.00	(11,244.00)	143,119.00	96,589.38	46,529.62
Purchased Professional - Educational Services		107,272.00	107,272.00	32,870.40	74,401.60
Other Purchased Services (400-500 series)		1,094,380.42	1,094,380.42	1,073,587.25	20,793.17
Tuition to Other LEAs within the State - Regular		6,000.00	6,000.00	6,000.00	6,000.00
Supplies and Materials	1,000.00	477,207.08	478,207.08	334,171.95	144,035.13
General Supplies		8,827.00	8,827.00	4,931.63	3,895.37
Textbooks		6,472.00	6,472.00	5,537.58	934.42
Other Objects		5,000.00	5,000.00	5,000.00	5,000.00
Total Instruction	2,446,127.00	613,129.77	3,059,256.77	2,625,123.09	434,133.68
Support Services:					
Personal Services - Salaries		149,310.44	149,310.44	133,487.71	15,822.73
Salaries of Principals and Assistant Principals	361,560.00	(240,544.08)	121,015.92	119,921.96	1,093.96
Salaries of Secretarial and Clerical Assistants		44,355.24	44,355.24	41,971.95	2,383.29
Other Salaries		97,961.00	97,961.00	94,983.51	2,977.49
Personal Services - Employee Benefits		305,077.03	305,077.03	296,393.42	8,683.61
Purchased Professional and Technical Services		98,585.46	98,585.46	50,695.96	47,889.50
Purchased Professional - Educational Services		9,110.00	9,110.00	9,018.90	91.10
Purchased Educational Services - Contracted Pre-K		151,697.00	151,697.00	107,822.99	43,874.01
Transportation		15,000.00	15,000.00	15,000.00	15,000.00
Other Purchased Services (400-500 series)		93,245.00	93,245.00	86,806.00	6,439.00
Contracted Services - Transportation		6,000.00	6,000.00	4,669.20	1,330.80
Travel		5,792.23	5,792.23	2,712.43	3,079.80
Supplies and Materials		131,737.02	131,737.02	49,790.95	81,946.07
General Supplies		147.10	147.10	147.10	147.10
Other Objects		15,653.00	15,653.00	14,099.42	1,553.58
Total Support Services	361,560.00	883,126.44	1,244,686.44	1,012,374.40	232,312.04
Facilities Acquisition and Construction Services:					
Instructional Equipment	52,000.00	21,930.73	73,930.73	63,540.53	10,390.20
Noninstructional Equipment		8,252.20	8,252.20	8,252.20	8,252.20
Facilities Acquisition and Construction Services	52,000.00	30,182.93	82,182.93	63,540.53	18,642.40
Total Expenditures	2,859,687.00	1,526,439.14	4,386,126.14	3,701,038.02	685,088.12
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 Note to RSI
 For the Fiscal Year Ended June 30, 2014

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources / Inflows of Resources:		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$ 99,209,792.04	\$ 3,701,038.02
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		40,596.61
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33) received July 2013.	4,233,279.60	23,255.40
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33) received July 2014.	(4,256,964.30)	(27,764.70)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	\$ 99,186,107.34	\$ 3,737,125.33
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 95,726,819.42	\$ 3,701,038.02
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		40,596.61
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	\$ 95,726,819.42	\$ 3,741,634.63

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

TOWNSHIP OF WINSLOW SCHOOL DISTRICT

Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ended June 30, 2014

	Total Brought Forward	I.D.E.A. Part B, Basic 2013-2014	I.D.E.A. Part B, Preschool 2013-2014	Race to the Top 2012-2013	JROTC 2013-2014	Carl Perkins Vocational and Technical Education Act 2013-2014	Total Carried Forward
REVENUES:							
Federal Sources	\$ 1,149,161.81	\$ 1,216,981.26	\$ 53,813.38	\$ 15,063.25	\$ 79,097.49	\$ 43,752.85	\$ 2,587,703.75
Slate Sources	-	-	-	-	-	-	-
Local Sources	-	-	-	-	-	-	-
Total Revenues	1,149,161.81	1,216,981.26	53,813.38	15,063.25	79,097.49	43,752.85	2,587,703.75
EXPENDITURES:							
Instruction:							
Salaries of Teachers	587,575.70	16,752.11	-	-	79,097.49	4,216.00	683,425.30
Purchased Professional and Technical Services	84,118.62	-	-	-	-	-	88,334.62
Purchased Professional - Educational Services	-	1,019,268.25	46,183.00	-	-	-	1,073,587.25
Other Purchased Services (400-500 series)	-	77,900.36	2,698.75	-	-	30,019.58	271,405.21
Supplies and Materials	154,378.55	-	4,931.63	-	-	-	4,931.63
General Supplies	-	-	-	-	-	-	-
Textbooks	-	-	-	-	-	-	-
Total Instruction	826,072.87	1,113,920.72	53,813.38	14,543.97	79,097.49	34,235.58	2,121,684.01
Support Services:							
Personal Services - Salaries	47,856.70	69,905.00	-	13,981.00	-	1,745.01	133,487.71
Salaries of Principals and Assistant Principals	-	-	-	-	-	-	-
Salaries of Secretarial and Clerical Assistants	-	-	-	-	-	-	-
Other Salaries	-	-	-	-	-	-	-
Personal Services - Employee Benefits	111,100.18	14,605.54	-	1,308.74	-	600.00	127,014.46
Purchased Professional and Technical Services	26,833.00	-	-	-	-	-	42,496.25
Purchased Professional - Educational Services	-	-	-	15,063.25	-	-	-
Purchased Educational Services - Contracted Pre-K	-	-	-	-	-	-	-
Contracted Services - Transportation	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Other Purchased Services (400-500 series)	80,595.00	4,561.00	-	-	-	1,792.23	1,792.23
Supplies and Materials	40,830.52	-	-	-	-	1,250.00	86,406.00
Other Objects	4,199.64	-	-	-	-	-	40,830.52
Total Support Services	311,415.04	89,071.54	-	15,289.74	-	5,387.24	436,226.81
Facilities Acquisition and Construction Services:							
Instructional Equipment	11,673.90	13,989.00	-	-	-	4,130.03	29,792.93
Facilities Acquisition and Construction Services	11,673.90	13,989.00	-	-	-	4,130.03	29,792.93
Total Expenditures	1,149,161.81	1,216,981.26	53,813.38	15,063.25	79,097.49	43,752.85	2,587,703.75
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	-

(Continued)

TOWNSHIP OF WINSLOW SCHOOL DISTRICT

Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ended June 30, 2014

	Total Brought Forward	Preschool Education Aid 2013-2014	NJ Nonpublic Textbook Aid, Ch. 194, L. 1979 2013-2014	NJ Nonpublic Handicapped Services Ch. 193 2013-2014	NJ Nonpublic Auxiliary Services Ch. 192 2013-2014	NJ Nonpublic Nursing Services Aid, (Chapter 226) 2013-2014	School Based Youth Program 2013-2014	Total Carried Forward
REVENUES:								
Federal Sources	\$ 2,587,703.75	\$ 787,033.10	\$ 5,537.58	\$ 8,254.76	\$ 36,785.90	\$ 9,018.90	\$ 264,830.34	\$ 2,587,703.75
Slate Sources	-	-	-	-	-	-	-	1,111,460.58
Local Sources	-	-	-	-	-	-	-	-
Total Revenues	2,587,703.75	787,033.10	5,537.58	8,254.76	36,785.90	9,018.90	264,830.34	3,699,164.33
EXPENDITURES:								
Instruction:								
Salaries of Teachers	683,425.30	394,009.60		8,254.76				1,077,434.90
Purchased Professional and Technical Services	88,334.62				32,870.40			96,589.38
Purchased Professional - Educational Services	-							32,870.40
Other Purchased Services (400-500 series)	1,073,587.25	60,893.05						1,073,587.25
Supplies and Materials	271,405.21							332,298.26
General Supplies	4,931.63		5,537.58					4,931.63
Textbooks	-							5,537.58
Total Instruction	2,121,684.01	454,902.65	5,537.58	8,254.76	32,870.40	-	-	2,623,249.40
Support Services:								
Personal Services - Salaries	133,487.71							133,487.71
Salaries of Principals and Assistant Principals	-	47,566.60					72,355.36	119,921.96
Salaries of Secretarial and Clerical Assistants	-	25,999.04					15,972.91	41,971.95
Other Salaries	-	724.82					94,288.69	94,983.51
Personal Services - Employee Benefits	127,014.46	106,855.00					62,523.96	296,393.42
Purchased Professional and Technical Services	42,496.25				3,915.50		4,284.21	50,695.96
Purchased Professional - Educational Services	-					9,018.90		9,018.90
Purchased Educational Services - Contracted Pre-K	-	107,822.99						107,822.99
Contracted Services - Transportation	-	4,669.20						4,669.20
Travel	1,792.23	920.20						2,712.43
Other Purchased Services (400-500 series)	86,406.00	3,825.00					400.00	86,806.00
Supplies and Materials	40,830.52						5,135.43	49,790.95
Other Objects	4,199.64						9,899.78	14,099.42
Total Support Services	436,226.81	298,382.85	-	-	3,915.50	9,018.90	264,830.34	1,012,374.40
Facilities Acquisition and Construction Services:								
Instructional Equipment	29,792.93	33,747.60						63,540.53
Total Facilities Acquisition and Construction Services	29,792.93	33,747.60	-	-	-	-	-	63,540.53
Total Expenditures	2,587,703.75	787,033.10	5,537.58	8,254.76	36,785.90	9,018.90	264,830.34	3,699,164.33
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	-	-

(Continued)

TOWNSHIP OF WINSLOW SCHOOL DISTRICT

Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ended June 30, 2014

	Total Brought Forward	Energy for the Arts Grants 2013-2014	Brain Injury Alliance of NJ 2013-2014	Final
REVENUES:				
Federal Sources	\$ 2,587,703.75		\$	\$ 2,587,703.75
State Sources	1,111,460.58	873.70		1,111,460.58
Local Sources	-		\$ 999.99	1,873.69
Total Revenues	3,699,164.33	873.70	999.99	3,701,038.02
EXPENDITURES:				
Instruction:				
Salaries of Teachers	1,077,434.90			1,077,434.90
Purchased Professional and Technical Services	96,589.38			96,589.38
Purchased Professional - Educational Services	32,870.40			32,870.40
Other Purchased Services (400-500 series)	1,073,587.25			1,073,587.25
Supplies and Materials	332,298.26	873.70	999.99	334,171.95
General Supplies	4,931.63			4,931.63
Textbooks	5,537.58			5,537.58
Total Instruction	2,623,249.40	873.70	999.99	2,625,123.09
Support Services:				
Personal Services - Salaries	133,487.71			133,487.71
Salaries of Principals and Assistant Principals	119,921.96			119,921.96
Salaries of Secretarial and Clerical Assistants	41,971.95			41,971.95
Other Salaries	94,983.51			94,983.51
Personal Services - Employee Benefits	296,393.42			296,393.42
Purchased Professional and Technical Services	50,695.96			50,695.96
Purchased Professional - Educational Services	9,018.90			9,018.90
Purchased Educational Services - Contracted Pre-K	107,822.99			107,822.99
Contracted Services - Transportation	4,669.20			4,669.20
Travel	2,712.43			2,712.43
Other Purchased Services (400-500 series)	86,806.00			86,806.00
Supplies and Materials	49,790.95			49,790.95
Other Objects	14,099.42			14,099.42
Total Support Services	1,012,374.40	-	-	1,012,374.40
Facilities Acquisition and Construction Services:				
Instructional Equipment	63,540.53			63,540.53
Facilities Acquisition and Construction Services	63,540.53	-	-	63,540.53
Total Expenditures	3,699,164.33	873.70	999.99	3,701,038.02
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
Special Revenue Fund
Schedule of Preschool Education Aid Expenditures
Preschool - All Programs
Budgetary Basis
For the Fiscal Year Ended June 30, 2014

	Budget	Actual	Variance
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 406,250.84	\$ 394,009.60	\$ 12,241.24
Tuition to Other LEAs within the State - Regular	6,000.00		6,000.00
Supplies and Materials	147,120.49	60,893.05	86,227.44
Other Objects	5,000.00		5,000.00
Total instruction	564,371.33	454,902.65	109,468.68
Support Services:			
Salaries of Principals and Assistant Principals	48,660.16	47,566.60	1,093.56
Salaries of Secretarial and Clerical Assistants	26,000.00	25,999.04	0.96
Other Salaries	3,000.00	724.82	2,275.18
Personal Services - Employee Benefits	106,855.00	106,855.00	-
Purchased Educational Services - Contracted Pre-K	151,697.00	107,822.99	43,874.01
Transportation	15,000.00		15,000.00
Contracted Services - Transportation	6,000.00	4,669.20	1,330.80
Travel	4,000.00	920.20	3,079.80
Supplies and Materials	6,000.00	3,825.00	2,175.00
Miscellaneous Expenditures	500.00		500.00
Total Support Services	367,712.16	298,382.85	69,329.31
Facilities Acquisition and Construction Services:			
Instructional Equipment	43,747.80	33,747.60	10,000.20
Noninstructional Equipment	8,252.20		8,252.20
Total Facilities Acquisition and Construction Services	52,000.00	33,747.60	18,252.40
Total Expenditures	\$ 984,083.49	\$ 787,033.10	\$ 197,050.39

CALCULATION OF BUDGET & CARRYOVER

Total revised 2013-14 Preschool Education Aid Allocation	\$ 277,647.00
Add: Actual Carryover (June 30, 2013)	212,804.40
Add: Budgeted Transfer From General Fund 2013-14	500,000.00
Total Preschool Education Aid Funds Available for the 2013-14 Budget	990,451.40
Less: 2013-14 Budgeted Preschool Education Aid (Including prior year budget carryover)	(984,083.49)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2014	6,367.91
Add: June 30, 2014 Unexpended Preschool Education Aid	197,050.39
2013-14 Carryover - Preschool Education Aid Programs	\$ 203,418.30
2013-14 Preschool Education Aid Carryover Budgeted for Preschool Programs 2014-2015	\$ 6,880.00

CAPITAL PROJECTS FUND

TOWNSHIP OF WINSLOW SCHOOL DISTRICT

Capital Projects Fund

Summary Schedule of Project Expenditures
For the Fiscal Year Ended June 30, 2014

Project Title/Issue	Approval Date	Revised Budgetary Appropriations	GAAP Expenditures to Date		Unexpended Appropriations June 30, 2014
			Prior Years	Current Year	
Middle School Roofing Project	June 4, 2010	\$ 3,437,500.00	\$ 1,948,912.40		\$ 1,488,587.60
High School Roofing Project	June 4, 2010	3,125,000.00	2,536,660.34		588,339.66
High School Window Replacement Project	May 23, 2014	1,189,300.00		\$ 957,660.00	231,640.00
School No. 2 Courtyard Drainage Project	May 23, 2014	60,300.00			60,300.00
Totals		\$ 7,812,100.00	\$ 4,485,572.74	\$ 957,660.00	\$ 2,368,867.26

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Capital Projects Fund
 Summary Schedule of Revenues, Expenditures and Changes in Fund Balance -- Budgetary Basis
 For the Fiscal Year Ended June 30, 2014

Revenues and Other Financing Sources	
Grant Proceeds	\$ 583,550.00
Local Share	<u>666,050.00</u>
Total Revenues	<u>1,249,600.00</u>
Expenditures and Other Financing Uses	
Architect/Engineer Services	1,750.00
Construction Services	<u>955,910.00</u>
Total Expenditures	<u>957,660.00</u>
Excess (deficiency) or revenues over (under) expenditures	291,940.00
Fund Balance -- Beginning	<u>2,076,927.26</u>
Fund Balance -- Ending	<u><u>\$ 2,368,867.26</u></u>

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Capital Projects Fund
 Schedule of Project Revenues, Expenditures, Project Balance, and Project Status -- Budgetary Basis
 Middle School Roofing Project
 From Inception and for the Fiscal Year Ended June 30, 2014

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Grant Proceeds	\$ 1,985,111.00		\$ 1,985,111.00	\$ 1,985,111.00
Local Share	1,452,389.00		1,452,389.00	1,452,389.00
Total Revenues	3,437,500.00	-	3,437,500.00	3,437,500.00
Expenditures and Other Financing Uses				
Other Professional Services	260,483.25		260,483.25	687,500.00
Construction Services	1,688,429.15		1,688,429.15	2,750,000.00
Total Expenditures	1,948,912.40	-	1,948,912.40	3,437,500.00
Excess (deficiency) or revenues over (under) expenditures	1,488,587.60	-	\$ 1,488,587.60	\$ -
Additional project information:				
Project Number	5820-030-09-0ZZP			
Grant Date	June 4, 2010			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	3,437,500.00			
Additional Authorized Cost	---			
Revised Authorized Cost	3,437,500.00			
Percentage Increase over Original Authorized Cost	---			
Percentage Completion	100.00%			
Original Target Completion Date	August 31, 2011			
Revised Target Completion Date	June 30, 2013			

TOWNSHIP OF WINSLOW SCHOOL DISTRICT

Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance, and Project Status -- Budgetary Basis

High School Roofing Project

From Inception and for the Fiscal Year Ended June 30, 2014

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Grant Proceeds	\$ 1,804,646.00		\$ 1,804,646.00	\$ 1,804,646.00
Local Share	1,320,354.00		1,320,354.00	1,320,354.00
Total Revenues	3,125,000.00	-	3,125,000.00	3,125,000.00
Expenditures and Other Financing Uses				
Architect/Engineer Services	4,704.00		4,704.00	4,704.00
Other Professional Services	232,519.50		232,519.50	620,296.00
Construction Services	2,299,436.84		2,299,436.84	2,500,000.00
Total Expenditures	2,536,660.34	-	2,536,660.34	3,125,000.00
Excess (deficiency) or revenues over (under) expenditures	588,339.66	\$ -	\$ 588,339.66	\$ -

Additional project information:

Project Number	5820-030-09-0ZZO
Grant Date	June 4, 2010
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	3,125,000.00
Additional Authorized Cost	---
Revised Authorized Cost	3,125,000.00

Percentage Increase over Original Authorized Cost

Percentage Completion	100.00%
Original Target Completion Date	August 31, 2011
Revised Target Completion Date	March 31, 2013

TOWNSHIP OF WINSLOW SCHOOL DISTRICT

Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance, and Project Status -- Budgetary Basis
 High School Window Replacement Project

From Inception and for the Fiscal Year Ended June 30, 2014

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Grant Proceeds		\$ 555,391.00	\$ 555,391.00	\$ 555,391.00
Local Share		633,909.00	633,909.00	633,909.00
Total Revenues	-	1,189,300.00	1,189,300.00	1,189,300.00
Expenditures and Other Financing Uses				
Architect/Engineer Services		1,750.00	1,750.00	1,750.00
Construction Services		955,910.00	955,910.00	955,910.00
Total Expenditures	-	957,660.00	957,660.00	957,660.00
Excess (deficiency) or revenues over (under) expenditures	-	\$ 231,640.00	\$ 231,640.00	\$ 231,640.00

Additional project information:

Project Number	5820-010-14-G1NG
Grant Date	May 23, 2014
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	1,189,300.00
Additional Authorized Cost	---
Revised Authorized Cost	1,189,300.00

Percentage Increase over Original Authorized Cost

Percentage Completion

Original Target Completion Date

Revised Target Completion Date

---	0%
12/31/2014	N/A

TOWNSHIP OF WINSLOW SCHOOL DISTRICT

Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance, and Project Status -- Budgetary Basis

School No. 2 Courtyard Drainage Project

From Inception and for the Fiscal Year Ended June 30, 2014

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Grant Proceeds		\$ 28,159.00	\$ 28,159.00	\$ 28,159.00
Local Share		32,141.00	32,141.00	32,141.00
Total Revenues	-	60,300.00	60,300.00	60,300.00
Expenditures and Other Financing Uses				
Architect/Engineer Services		-	-	-
Other Professional Services		-	-	-
Construction Services		-	-	-
Total Expenditures	-	-	-	-
Excess (deficiency) or revenues over (under) expenditures	-	\$ 60,300.00	\$ 60,300.00	\$ 60,300.00

Additional project information:

Project Number	5820-040-14-G1NJ
Grant Date	May 23, 2014
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	60,300.00
Additional Authorized Cost	---
Revised Authorized Cost	60,300.00

Percentage Increase over Original Authorized Cost

Percentage Completion

Original Target Completion Date

Revised Target Completion Date

---	N/A
---	N/A

PROPRIETARY FUNDS

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
Proprietary Fund
Combining Statement of Net Position
June 30, 2014

	<u>Food Service</u>	<u>Regional Day School</u>	<u>Before-After School Program</u>	<u>Total</u>
ASSETS:				
Current Assets:				
Cash and Cash Equivalents	\$ 251,584.29		\$ 417,242.72	\$ 668,827.01
Accounts Receivable:				
State	3,264.95			3,264.95
Federal	100,238.57			100,238.57
Other	2,321.11		88,676.75	90,997.86
Interfund Accounts Receivable:				
Due Before and After School	1,752.40			1,752.40
Due Students, Net	6,344.64			6,344.64
Prepaid Expenses			8,065.62	8,065.62
Inventories	53,775.98			53,775.98
Total Current Assets	<u>419,281.94</u>	<u>-</u>	<u>513,985.09</u>	<u>933,267.03</u>
Noncurrent Assets:				
Furniture, Machinery and Equipment	1,011,186.80			1,011,186.80
Less Accumulated Depreciation	(861,794.00)			(861,794.00)
Total Noncurrent Assets	<u>149,392.80</u>	<u>-</u>	<u>-</u>	<u>149,392.80</u>
Total Assets	<u>568,674.74</u>	<u>-</u>	<u>513,985.09</u>	<u>1,082,659.83</u>
LIABILITIES:				
Current Liabilities:				
Interfund Accounts Payable:				
Due General Fund			20,740.72	20,740.72
Due Food Service			1,752.40	1,752.40
Accounts Payable	117,560.83		25,294.51	142,855.34
Unearned Revenue			58,282.40	58,282.40
Total Liabilities	<u>117,560.83</u>	<u>-</u>	<u>106,070.03</u>	<u>223,630.86</u>
NET POSITION:				
Net Investment in Capital Assets	149,392.80			149,392.80
Unrestricted	301,721.11		407,915.06	709,636.17
Total Net Position	<u>\$ 451,113.91</u>	<u>\$ -</u>	<u>\$ 407,915.06</u>	<u>\$ 859,028.97</u>

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
Proprietary Fund
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2014

	<u>Food Service</u>	<u>Regional Day School</u>	<u>Before-After School Program</u>	<u>Total</u>
OPERATING REVENUES:				
Charges for Services:				
Daily Sales - Reimbursable Programs	\$ 394,111.81			\$ 394,111.81
Daily Sales - Non-Reimbursable Programs	351,147.95			351,147.95
Other Sales	36,829.80			36,829.80
Tuition			\$ 718,078.13	718,078.13
Total Operating Revenues	<u>782,089.56</u>	<u>-</u>	<u>718,078.13</u>	<u>1,500,167.69</u>
OPERATING EXPENSES:				
Management Fees	183,465.68			183,465.68
Salaries	685,765.67		163,573.65	849,339.32
Employee Benefits	153,876.90		18,967.79	172,844.69
Other Purchased Services	56,167.44		341,289.95	397,457.39
General Supplies	88,295.25		9,418.14	97,713.39
Depreciation	33,235.00			33,235.00
Cleaning, Repairs and Maintenance	23,437.03			23,437.03
Insurance	22,097.35			22,097.35
Cost of Sales	945,545.55			945,545.55
Total Operating Expenses	<u>2,191,885.87</u>	<u>-</u>	<u>533,249.53</u>	<u>2,725,135.40</u>
Operating Income / (Loss)	<u>(1,409,796.31)</u>	<u>-</u>	<u>184,828.60</u>	<u>(1,224,967.71)</u>
NONOPERATING REVENUES (EXPENSES):				
State Sources:				
State School Lunch Program	27,240.69			27,240.69
Federal Sources:				
National School Lunch Program	1,164,032.49			1,164,032.49
National School Breakfast Program	266,614.72			266,614.72
Summer Food Service Program	37,572.88			37,572.88
Food Distribution Program	147,769.39			147,769.39
Loss on Disposal of Equipment	(6,399.00)			(6,399.00)
Total Nonoperating Revenues (Expenses)	<u>1,636,831.17</u>	<u>-</u>	<u>-</u>	<u>1,636,831.17</u>
Income (loss) before Cancellation	227,034.86	-	184,828.60	411,863.46
Cancellation of Interfund and Payables		<u>\$ 1,209,035.00</u>		<u>1,209,035.00</u>
Change in Net Position	227,034.86	1,209,035.00	184,828.60	1,620,898.46
Net Position -- July 1	<u>224,079.05</u>	<u>(1,209,035.00)</u>	<u>223,086.46</u>	<u>(761,869.49)</u>
Net Position -- June 30	<u>\$ 451,113.91</u>	<u>\$ -</u>	<u>\$ 407,915.06</u>	<u>\$ 859,028.97</u>

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
Proprietary Fund
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2014

	<u>Food Service</u>	<u>Regional Day School</u>	<u>Before-After School Program</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from Customers	\$ 794,606.53		\$ 709,853.53	\$ 1,504,460.06
Payments to Employees	(685,765.67)		(142,832.93)	(828,598.60)
Payments for Employee Benefits	(153,876.90)		(18,967.79)	(172,844.69)
Payments to Suppliers	(1,767,074.52)		(428,990.80)	(2,196,065.32)
Budget Appropriations		\$ (118,376.66)		(118,376.66)
Net Cash Provided by (used for) Operating Activities	<u>(1,812,110.56)</u>	<u>(118,376.66)</u>	<u>119,062.01</u>	<u>(1,811,425.21)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:				
State Sources	29,451.50			29,451.50
Federal Sources	1,740,770.48			1,740,770.48
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>1,770,221.98</u>	<u>-</u>	<u>-</u>	<u>1,770,221.98</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Purchases of Capital Assets	(90,222.80)			(90,222.80)
Net Cash Provided by (used for) Capital and Related Financing Activities	<u>(90,222.80)</u>	<u>-</u>	<u>-</u>	<u>(90,222.80)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(132,111.38)	(118,376.66)	119,062.01	(131,426.03)
Cash and Cash Equivalents -- July 1	383,695.67	118,376.66	298,180.71	800,253.04
Cash and Equivalents -- June 30	<u>\$ 251,584.29</u>	<u>\$ -</u>	<u>\$ 417,242.72</u>	<u>\$ 668,827.01</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:				
Operating Income (Loss)	\$ (1,409,796.31)	\$ -	\$ 184,828.60	\$ (1,224,967.71)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:				
Depreciation and Net Amortization	33,235.00			33,235.00
(Increase) Decrease in Accounts Receivable Other	4,133.75		(20,067.65)	(15,933.90)
(Increase) Decrease in Interfunds Receivable	11,529.10			11,529.10
(Increase) Decrease in Due Students, Net	(3,099.33)			(3,099.33)
(Increase) Decrease in Inventories	(6,973.45)			(6,973.45)
(Increase) Decrease in Prepaid Expenses			(2,213.64)	(2,213.64)
Increase (Decrease) in Accounts Payable	(380,263.26)		25,294.51	(354,968.75)
Increase (Decrease) in Interfund Payable	(60,829.51)	(35,090.08)	(80,622.86)	(176,542.45)
Increase (Decrease) in Other Current Liabilities	(46.55)		11,843.05	11,796.50
Increase (Decrease) in Accrued Salaries Benefits		(83,286.58)		(83,286.58)
Total Adjustments	<u>(402,314.25)</u>	<u>(118,376.66)</u>	<u>(65,766.59)</u>	<u>(586,457.50)</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (1,812,110.56)</u>	<u>\$ (118,376.66)</u>	<u>\$ 119,062.01</u>	<u>\$ (1,811,425.21)</u>

FIDUCIARY FUNDS

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Fiduciary Funds
 Combining Statement of Fiduciary Net Position
 June 30, 2014

	<u>Trust Funds</u>	<u>Agency Funds</u>		
	Unemployment Compensation <u>Trust</u>	Student <u>Activity</u>	<u>Payroll</u>	<u>Total</u>
ASSETS:				
Cash and Cash Equivalents	\$ -	\$ 159,682.51	\$ 432,169.07	\$ 591,851.58
Interfund Accounts Receivable: Due General Fund			49,989.23	49,989.23
Total Assets	-	<u>\$ 159,682.51</u>	<u>\$ 482,158.30</u>	641,840.81
LIABILITIES:				
Payable to Student Groups		\$ 159,682.51		159,682.51
Payroll Deductions and Withholdings			\$ 480,313.59	480,313.59
Interfund Accounts Payable: Due General Fund			1,844.71	1,844.71
Total Liabilities	-	<u>\$ 159,682.51</u>	<u>\$ 482,158.30</u>	641,840.81
NET POSITION:				
Held in Trust for Unemployment Claims and Other Purposes	<u>\$ -</u>			<u>\$ -</u>

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Fiduciary Funds
 Combining Statement of Changes in Fiduciary Net Position
 For the Fiscal Year Ended June 30, 2014

	Unemployment Compensation <u>Trust</u>
DEDUCTIONS:	
Transferred to General Fund	\$ <u>296.78</u>
Total Deductions	<u>296.78</u>
Change in Net Position	(296.78)
Net Position -- July 1	<u>296.78</u>
Net Position -- June 30	<u><u>\$ -</u></u>

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Fiduciary Funds
 Student Activity Agency Fund Schedule of Receipts and Disbursements
 For the Fiscal Year Ended June 30, 2014

	<u>Balance</u> <u>June 30, 2013</u>	<u>Cash</u> <u>Receipts</u>	<u>Reallocation</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2014</u>
ELEMENTARY SCHOOLS:					
School No. 1	\$ 3,442.56	\$ 8,818.38		\$ 9,120.50	\$ 3,140.44
School No. 2	6,449.96	2,531.74		2,174.00	6,807.70
School No. 3	1,485.30	3,558.72		3,525.50	1,518.52
School No. 4	7,274.74	5,709.47		6,977.41	6,006.80
School No. 5	6,641.89	5,677.83		6,830.30	5,489.42
School No. 6	6,117.64	6,704.30		5,141.91	7,680.03
Total Elementary Schools	<u>31,412.09</u>	<u>33,000.44</u>	<u>-</u>	<u>33,769.62</u>	<u>30,642.91</u>
JUNIOR HIGH SCHOOL:					
Winslow Township Middle	<u>34,889.26</u>	<u>139,391.67</u>	<u>\$ (12,010.11)</u>	<u>145,494.04</u>	<u>16,776.78</u>
SENIOR HIGH SCHOOLS:					
Winslow Township High	<u>92,299.83</u>	<u>167,271.65</u>	<u>12,010.11</u>	<u>159,318.77</u>	<u>112,262.82</u>
Total Senior High Schools	<u>92,299.83</u>	<u>167,271.65</u>	<u>12,010.11</u>	<u>159,318.77</u>	<u>112,262.82</u>
Total All Schools	<u><u>\$ 158,601.18</u></u>	<u><u>\$ 339,663.76</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 338,582.43</u></u>	<u><u>\$ 159,682.51</u></u>

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Fiduciary Funds
 Payroll Agency Fund Schedule of Receipts and Disbursements
 For the Fiscal Year Ended June 30, 2014

	<u>Balance</u> <u>June 30, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2014</u>
ASSETS:				
Cash and Cash Equivalents	\$ 626,730.07	\$ 76,140,616.07	\$ 76,335,177.07	\$ 432,169.07
Interfund Accounts Receivable:				
Due General Fund	<u>45,636.75</u>	<u>49,989.23</u>	<u>45,636.75</u>	<u>49,989.23</u>
Total Assets	<u>\$ 672,366.82</u>	<u>\$ 76,190,605.30</u>	<u>\$ 76,380,813.82</u>	<u>\$ 482,158.30</u>
LIABILITIES:				
Payroll Deductions and Withholdings	\$ 621,495.00	\$ 48,800,349.61	\$ 49,371,305.28	\$ 50,539.33
Net Payroll	48,008.57	26,960,985.09	27,008,490.00	503.66
Accounts Payable		429,270.60		429,270.60
Interfund Accounts Payable:				
Due General Fund	<u>2,863.25</u>		<u>1,018.54</u>	<u>1,844.71</u>
Total Liabilities	<u>\$ 672,366.82</u>	<u>\$ 76,190,605.30</u>	<u>\$ 76,380,813.82</u>	<u>\$ 482,158.30</u>

LONG-TERM DEBT

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Schedule of Serial Bonds
 For the Fiscal Year Ended June 30, 2014

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance June 30, 2013	Retired	Balance June 30, 2014
			Date	Amount				
Refunding Bonds	3/6/2003	\$ 2,210,000.00		\$ 175,000.00	5.375%	\$ 875,000.00	\$ 165,000.00	\$ 710,000.00
			7/1/2014	\$	5.375%			
			7/1/2015	185,000.00	5.375%			
			7/1/2016	60,000.00	5.375%			
			7/1/2017	65,000.00	5.375%			
	7/1/2018	70,000.00	5.375%					
	7/1/2019	75,000.00	5.375%					
	7/1/2020	80,000.00	5.375%					
Refunding Bonds	01/08/04	22,010,000.00	N/A	N/A	2,005,000.00	2,005,000.00		
School District Bonds	06/18/08	3,300,000.00		335,000.00	4.000%	2,150,000.00	320,000.00	1,830,000.00
			1/15/2015		4.000%			
			1/15/2016	350,000.00	4.000%			
			1/15/2017	365,000.00	4.000%			
	1/15/2018	380,000.00	4.000%					
	1/15/2019	400,000.00	4.000%					
Refunding Bonds	05/16/13	13,230,000.00		2,105,000.00	2.000%	13,230,000.00	75,000.00	13,155,000.00
			8/1/2014		3.000%			
			8/1/2015	2,135,000.00	3.000%			
			8/1/2016	2,175,000.00	3.000%			
			8/1/2017	2,210,000.00	3.000%			
	8/1/2018	2,250,000.00	4.000%					
	8/1/2019	2,280,000.00	4.000%					
						\$ 18,260,000.00	\$ 2,565,000.00	\$ 15,695,000.00
						Budget Appropriation		\$ 2,565,000.00

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Schedule of Obligations Under Capital Leases
 For the Fiscal Year Ended June 30, 2014

Series	Term of Lease	Amount of Original Issue	Interest Rate Payable	Amount Outstanding June 30, 2013	Retired Current Year	Amount Outstanding June 30, 2014
Pitney Bowes	5 years	20,850.50	5.99%	\$ 3,919.55	\$ 3,919.55	
				\$ 3,919.55	\$ 3,919.55	\$ -

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Budgetary Comparison Schedule
 Debt Service Fund
 For the Fiscal Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
REVENUES:				
Local Sources:				
Local Tax Levy	\$ 1,729,671.00	\$ 1,729,671.00	\$ 1,729,671.00	
Debt Service Aid Type II	<u>1,487,114.00</u>	<u>1,487,114.00</u>	<u>1,487,114.00</u>	
Total Revenues	<u>3,216,785.00</u>	<u>3,216,785.00</u>	<u>3,216,785.00</u>	<u>-</u>
EXPENDITURES:				
Regular Debt Service:				
Interest on Early Retirement of Bonds	41,999.00	41,999.00	41,998.75	\$ 0.25
Interest on Bonds	684,788.00	609,788.00	433,158.33	176,629.67
Redemption of Principal	<u>2,490,000.00</u>	<u>2,565,000.00</u>	<u>2,565,000.00</u>	
Total Expenditures	<u>3,216,787.00</u>	<u>3,216,787.00</u>	<u>3,040,157.08</u>	<u>176,629.92</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2.00)	(2.00)	176,627.92	176,629.92
Fund Balance, July 1	<u>3.12</u>	<u>3.12</u>	<u>3.12</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 1.12</u>	<u>\$ 1.12</u>	<u>\$ 176,631.04</u>	<u>\$ 176,629.92</u>
Recapitulation:				
Assigned Fund Balance:			\$ 1.00	
Designated for Subsequent Year's Expenditures			<u>176,630.04</u>	
Restricted Fund Balance			<u>\$ 176,631.04</u>	

STATISTICAL SECTION

Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance.

TOWNSHIP OF WINSLOW SCHOOL DISTRICT

Net Position by Component
Last Ten Fiscal Years (accrual basis of accounting)
Unaudited

	Fiscal Year Ending June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Governmental Activities										
Net Investment in Capital Assets	\$ 60,938,879.89	\$ 57,873,689.26	\$ 58,362,789.45	\$ 55,977,775.46	\$ 54,282,107.63	\$ 45,922,105.62	\$ 46,532,051.89	\$ 45,706,508.61	\$ 46,097,628.74	\$ 45,384,259.32
Restricted	21,753,203.38	18,369,794.95	12,749,776.42	9,903,343.80	3,741,760.92	3,416,752.94	974,366.14	2,808,971.93	563,597.54	406,063.52
Unrestricted	(4,879,224.20)	(4,933,662.77)	(4,539,947.74)	(4,909,365.99)	(1,451,188.71)	(5,863,429.62)	(4,814,192.09)	(5,217,258.60)	(5,081,168.27)	(5,141,677.06)
Total Governmental Activities Net Position	\$ 77,812,859.07	\$ 71,309,821.44	\$ 66,572,618.13	\$ 60,971,753.27	\$ 56,572,679.84	\$ 43,475,428.94	\$ 42,692,225.94	\$ 43,298,221.94	\$ 41,580,058.01	\$ 40,647,635.78
Business-type Activities										
Net Investment in Capital Assets	\$ 149,392.80	\$ 108,521.00	\$ 146,088.00	\$ 185,420.00	\$ 224,767.00	\$ 229,121.54	\$ 279,210.50	\$ 336,717.41	\$ 437,073.21	\$ 498,925.59
Restricted	709,636.17	156.90	(1,141,509.18)	23,775.29	33,089.95	(278,289.61)	(108,454.46)	(16,660.24)	543,678.86	817,570.27
Unrestricted	(859,028.97)	(870,547.39)	(995,264.28)	(1,167,604.56)	(629,862.48)	(49,148.07)	170,756.04	320,057.17	980,752.07	1,316,495.86
Total Business-type Activities Net Position	\$ 61,088,272.69	\$ 57,982,210.26	\$ 58,508,877.45	\$ 56,163,195.46	\$ 54,506,874.63	\$ 46,151,227.16	\$ 46,811,262.39	\$ 48,043,226.02	\$ 46,534,701.95	\$ 45,883,184.91
District-wide										
Net Investment in Capital Assets	21,753,203.38	18,369,951.85	12,749,933.32	9,927,119.09	3,774,850.87	3,416,752.94	974,366.14	2,808,971.93	563,597.54	406,063.52
Restricted	(4,169,388.05)	(5,804,210.16)	(5,681,486.92)	(6,076,970.55)	(2,081,051.19)	(6,141,689.23)	(4,822,846.55)	(5,233,918.84)	(4,537,469.41)	(4,324,106.78)
Unrestricted	78,671,868.04	70,547,951.95	65,577,353.85	60,015,344.00	56,200,874.31	43,426,280.87	42,862,981.98	43,618,279.11	42,560,810.08	41,964,131.64

Source: District Records

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Changes in Net Position
 Last Ten Fiscal Years (accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Expenses										
Governmental Activities										
Instruction	\$ 28,524,313.34	\$ 27,332,366.77	\$ 27,488,961.31	\$ 27,676,629.47	\$ 28,350,762.32	\$ 27,567,005.35	\$ 31,473,028.63	\$ 26,541,389.86	\$ 28,439,357.30	\$ 25,849,061.70
Regular	8,749,824.47	8,097,470.92	8,398,810.52	7,880,606.26	7,941,070.56	7,804,375.22	7,421,316.58	6,793,569.11	6,948,242.99	6,811,286.26
Special Education	1,758,226.22	1,505,175.22	1,461,357.72	1,482,708.53	1,578,151.32	3,795,368.69	2,490,034.07	2,975,299.29	2,454,844.10	2,632,736.50
Community Services Programs/ Operations									106,650.18	67,308.72
Support Services:										
Instruction	5,785,968.45	5,450,112.82	7,835,984.90	7,405,572.45	6,904,502.87	5,982,316.31	6,294,524.65	6,020,297.11	5,220,113.55	4,804,936.54
Attendance and Social Work	63,936.39	78,351.19	82,845.05	72,240.96	64,140.96	244,292.98	271,309.30	209,070.06	147,297.35	117,495.64
Health Services	778,097.54	7,48,072.07	741,344.30	700,238.42	768,784.39	637,136.94	653,608.38	531,070.67	581,812.92	624,810.22
Student & Instruction Related Services	8,102,288.43	7,162,080.43	6,777,425.33	6,269,167.45	7,242,019.01	6,421,745.07	6,527,535.17	6,092,514.98	6,329,458.89	6,319,190.73
Educational Media Library	630,683.45	550,332.87	574,594.60	591,295.75	613,207.43	674,352.55	383,530.76	450,421.19	611,766.04	690,134.17
Instructional Staff Training Services	65,723.07	115,831.65	128,298.06	41,214.69	21,518.01	83,632.63	66,107.14	35,844.62	23,337.89	43,119.79
General Administrative Services	1,246,442.05	1,105,009.08	1,069,234.74	905,435.78	976,742.39	996,866.43	1,353,291.98	1,019,865.95	1,007,865.83	1,419,394.18
School Administrative Services	3,282,036.42	3,207,211.81	3,351,815.39	2,980,959.08	3,255,196.43	3,190,063.60	3,271,112.88	3,003,843.19	3,211,291.92	3,120,237.09
Plant Operations and Maintenance	10,554,785.23	7,946,902.16	8,848,983.09	8,023,976.90	8,609,964.73	9,127,106.49	8,933,018.40	8,579,577.71	8,281,886.05	7,923,245.01
Central Services	1,000,371.40	1,136,397.26	1,228,493.03	1,421,471.08	1,047,032.32	1,232,768.82	1,053,615.04	1,033,011.57	928,443.16	907,649.92
Administrative Information Technology	565,957.27	512,366.21	558,427.86	1,289,677.10	862,319.26	399,668.65	394,062.28	371,676.05	331,553.67	279,648.29
Care and Upkeep of Grounds	150,226.50	40,902.50	14,559.50							
Security Equipment	48,598.00	19,016.00	20,583.00							
Pupil Transportation	7,621,291.62	7,482,557.54	7,415,441.28	7,527,174.73	6,850,045.15	6,561,727.17	6,785,610.04	5,924,609.56	5,531,935.57	5,076,904.44
Other Undistributed Costs				39,497.47						
Allocated Benefits										
Unallocated Benefits	11,882,548.00	11,823,465.13	12,946,567.93	13,716,602.54	14,674,297.47	15,255,623.48	12,549,686.07	10,586,258.82	12,846,276.43	10,163,932.26
On-behalf T.P.A.F Pension Contributions	4,045,391.00	5,372,494.00	3,890,027.00	2,827,858.00	2,805,738.00	2,541,035.00	4,681,046.00	4,597,111.00	1,886,594.00	1,328,808.00
Reimbursed T.P.A.F Social Security Contributions	2,777,389.76	2,953,856.09	2,655,208.14	2,841,781.89	3,081,906.00	3,061,902.47	3,222,160.86	2,777,870.86	2,867,460.04	2,729,723.71
Special Schools										
Charter Schools	674,253.00	6,780,574.00	5,214,298.00	3,595,940.00	2,480,888.00	125,572.00	105,444.00	1,210.59	236,283.62	523,720.97
Debt Service (Principal plus interest and other changes)	287,449.34	963,172.09	1,005,385.36	1,099,982.10	1,368,033.63	1,182,908.34	1,270,723.58	1,335,286.24	59,100.00	771,458.20
Capital Outlay	398,183.00	188,752.00	185,348.00	221,520.57	300,000.00	1,811,125.24	989,027.89	1,099,858.19	1,408,510.19	1,485,908.95
Amortization of Debt Issuance Costs		235,974.19	23,621.26	23,621.26	24,246.64	31,125.72	27,100.72	32,523.35	36,396.65	36,396.65
Payment of Arbitrage Rebate										177,409.97
Interest on Long-term Debt										364,265.00
Total Governmental Activities Expenses	98,994,003.95	100,808,346.00	101,917,034.37	98,595,675.01	99,860,044.36	98,727,718.85	100,196,894.42	90,034,535.97	89,596,116.56	84,253,164.11
Business-type Activities:										
Food Service	2,191,885.87	2,120,806.75	2,188,642.87	2,180,373.73	2,561,910.20	2,656,224.60	2,465,378.42	2,688,596.37	2,517,570.03	2,424,682.40
Regional Day School		2,913.00	18,719.54	1,340,021.66	2,185,493.97	2,396,949.34	2,312,390.77	2,363,869.14	2,221,622.71	2,054,825.76
Before-After School Program	533,249.53	608,425.58	712,167.13	574,549.04	520,053.17	527,667.60	560,377.38	531,451.93	510,066.52	476,097.17
Total Business-type Activities Expenses	2,725,135.40	2,732,145.33	2,919,589.54	4,094,944.43	5,267,457.34	5,582,841.54	5,338,146.57	5,593,919.44	5,249,259.26	4,955,605.33
Total District Expenses	\$ 101,719,139.35	\$ 103,540,491.33	\$ 104,836,623.91	\$ 102,690,619.44	\$ 105,127,501.70	\$ 104,310,560.39	\$ 105,535,040.99	\$ 95,628,455.41	\$ 94,845,375.82	\$ 89,208,769.44

(Continued)

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Changes in Net Position
 Last Ten Fiscal Years (accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Program Revenues										
Governmental Activities:										
Operating Grants and Contributions	\$ 4,045,391.00	\$ 5,372,494.00	\$ 3,890,027.00	\$ 2,827,858.00	\$ 2,805,738.00	\$ 2,541,035.00	\$ 4,681,046.00	\$ 4,597,111.00	\$ 1,886,594.00	\$ 1,328,808.00
On-behalf T.P.A.F Pension Contributions	2,777,389.76	2,953,856.09	2,655,208.14	2,841,781.89	3,081,906.00	3,061,902.47	3,222,160.86	2,777,870.86	2,867,460.04	2,729,723.71
Reimbursed T.P.A.F Social Security Contributions	6,822,780.76	8,326,350.09	6,545,235.14	5,669,639.89	5,687,644.00	5,602,937.47	7,903,206.86	7,374,981.86	4,754,054.04	4,058,531.71
Total Governmental Activities Program Revenues										
Business-type activities:										
Charges for services:										
Food service	782,089.86	784,701.75	816,153.82	874,774.82	1,041,515.51	1,204,660.70	1,154,468.55	1,286,627.95	1,221,853.07	1,190,412.88
Regional Day School	718,078.13	764,929.90	730,244.97	746,531.23	1,906,676.49	2,208,032.16	2,159,056.89	1,926,442.06	1,899,582.87	1,657,368.19
Before-After School Program	1,643,230.17	1,323,655.80	1,343,058.94	1,239,168.78	1,452,259.64	1,488,064.17	1,304,925.25	1,241,328.54	1,285,536.01	1,166,595.65
Operating Grants and Contributions	3,143,397.86	2,873,287.45	2,889,457.73	3,504,462.30	4,905,717.86	5,419,724.42	5,185,927.58	4,966,049.89	4,898,379.42	4,489,939.87
Food service	9,986,178.62	11,189,637.54	9,434,692.87	9,174,102.19	10,793,361.06	11,022,661.89	13,089,134.44	12,341,031.75	9,652,433.46	8,548,471.58
Total Business-type Activities Program Revenues										
Total District Program Revenues										
Net (Expense)/Revenue										
Governmental Activities	\$ 92,171,223.19	\$ 92,481,995.91	\$ 95,371,799.23	\$ 92,926,035.12	\$ 93,972,400.36	\$ 93,124,781.38	\$ 92,293,687.56	\$ 82,659,554.11	\$ 84,842,062.52	\$ 80,194,632.40
Business-type Activities	(418,262.46)	(141,142.12)	30,131.81	590,482.13	361,739.48	163,117.12	152,218.99	627,869.55	350,879.84	465,665.46
Total District-wide Net (Expense)/Revenue	\$ 91,752,960.73	\$ 92,340,853.79	\$ 95,401,931.04	\$ 93,516,517.25	\$ 94,334,139.84	\$ 93,287,898.50	\$ 92,445,906.55	\$ 83,287,423.66	\$ 85,192,942.36	\$ 80,660,297.86

(Continued)

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Changes in Net Position
 Last Ten Fiscal Years (accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property Taxes, Levied for General Purposes	\$ 44,021,298.00	\$ 43,188,135.00	\$ 42,311,897.00	\$ 42,311,897.02	\$ 40,876,097.04	\$ 39,803,697.00	\$ 39,942,508.00	\$ 35,994,372.00	\$ 35,994,372.01	\$ 28,733,118.00
Taxes Levied for Debt Service	1,729,671.00	1,734,795.00	1,746,925.00	1,715,278.00	1,518,682.00	1,409,596.00	1,072,406.00	1,543,889.00	1,388,465.00	1,187,897.00
Federal and State Aid not Restricted	44,586,713.99	44,206,214.16	46,624,667.07	43,775,075.81	50,809,470.25	44,655,531.51	38,896,199.98	36,705,412.56	36,822,581.60	36,718,567.91
Federal and State Aid Restricted	5,221,184.24	5,535,842.08	5,631,727.51	7,604,589.51	6,844,299.33	6,262,318.91	10,186,344.57	8,874,221.40	9,801,056.03	9,824,687.28
Local Share Capital Projects	666,050.00									
Tuition Received	3,106,502.56	2,987,298.53	3,120,399.54	2,635,998.78	2,772,743.00	1,538,316.73	1,764,243.86	1,608,845.86	1,436,371.04	1,316,977.07
Transportation Fees from Other LEA's	245,750.00				3,251,398.91	25,000.00	30,000.00	30,000.00	47,373.55	31,036.20
Miscellaneous Income	323,617.12	835,859.85	266,662.17	309,759.13	1,058,464.87	259,337.57	364,983.11	472,519.77	284,266.52	134,563.18
Transfer to Food Service Fund - Board Contribution										
Adjustment for Fixed Assets										
Gain/Loss on Disposal of Capital Assets	(12,544.92)	(22,678.00)	1,079,816.80	249,280.85	(61,504.14)	76.95	(434,814.56)	(251,542.55)		(3,184.12)
Cancellation of Prior Year Accounts Receivable			(9,431.00)			(11,775.29)	(134,179.40)			
Cancellation of Prior Year Accounts Payable		10,764.84								
Refund of Prior Year Tuition										
Refund of Prior Year Payment for RDS Compensated Absences		5,680.39								
Adjustment for Fixed Assets	(1,213,981.17)	(1,142,489.83)						(600,000.00)		
Lawsuit Settlement				(1,222,820.55)						
Allowance for Uncollectible Interfund from Regional Day School				(55,950.00)						
Cancellation of Prior Year Receivable										
Total Governmental Activities	98,674,260.82	97,219,199.22	100,972,664.09	97,325,108.55	107,069,651.26	93,907,964.38	91,687,691.56	84,377,718.04	85,774,484.75	77,943,652.52
Business-type Activities										
Cancellation of Prior Year Accounts Receivable			(6,723.20)	373.88	(39,497.47)	(67,054.66)	(3,842.84)			
Miscellaneous Income		8.07			1,656.56	1,597.37	6,760.70	14,186.67	15,136.05	6,416.68
Transfer from General Fund to Cover Deficit		90,222.80				38,670.31				
Adjustment for Fixed Assets										
Adjustment for Compensated Absences		2,021.80								
Bad Debt Expense										
Refund of a Prior Year Expenditure				(6,699.00)						
Cancellation of Interfund and Payables	1,209,035.00			10,403.51						
Gain/Loss on Disposal of Capital Assets	(6,399.00)							(47,012.02)		
Total Business-type Activities	1,202,636.00	92,252.67	(6,723.20)	4,078.39	38,882.02	(66,786.98)	2,917.86	(32,825.35)	15,136.05	6,416.68
Total District-wide	\$ 99,876,896.82	\$ 97,311,451.89	\$ 100,965,940.89	\$ 97,329,186.94	\$ 107,108,533.28	\$ 93,851,197.40	\$ 91,690,609.42	\$ 84,344,892.69	\$ 85,789,620.80	\$ 77,950,069.20
Change in Net Position										
Governmental Activities	\$ 6,503,037.63	\$ 4,737,203.31	\$ 5,600,864.86	\$ 4,399,073.43	\$ 13,097,250.90	\$ 783,203.00	\$ (605,996.00)	\$ 1,718,163.93	\$ 932,422.23	\$ (2,250,979.88)
Business-type Activities	1,620,898.46	233,394.79	(36,855.01)	(586,403.74)	(322,857.46)	(219,904.10)	(149,301.13)	(660,694.90)	(335,743.79)	(459,248.78)
Total District	\$ 8,123,936.09	\$ 4,970,598.10	\$ 5,564,009.85	\$ 3,812,669.69	\$ 12,774,393.44	\$ 563,298.90	\$ (755,297.13)	\$ 1,057,469.03	\$ 596,678.44	\$ (2,710,228.66)

Source: District Records

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Fund Balances, Governmental Funds
 Last Ten Fiscal Years (modified accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General Fund										
Restricted	\$ 16,205,239.97	\$ 9,808,746.24	\$ 4,814,315.75	\$ 704,162.15						
Assigned	3,002,465.11	6,484,118.33	5,727,680.93	6,723,708.24						
Unassigned	(2,260,316.52)	(2,138,713.93)	(1,967,717.87)	(1,907,093.67)						
Reserved					\$ 3,564,431.16	\$ 3,104,292.91	\$ 679,602.77	\$ 2,531,527.01	\$ 203,376.11	\$ 8,435.44
Unreserved					(2,044,648.10)	(1,887,926.88)	(403,270.42)	(979,573.30)	(922,642.98)	(1,647,748.86)
Total General Fund	\$ 16,947,388.56	\$ 14,154,150.64	\$ 8,574,278.81	\$ 5,520,776.72	\$ 1,519,783.06	\$ 1,216,366.03	\$ 276,332.35	\$ 1,551,953.71	\$ (719,266.87)	\$ (1,639,313.42)
All Other Governmental Funds										
Restricted, Reported in:										
Capital Projects Fund	\$ 2,368,867.26	\$ 2,076,927.26	\$ 2,081,631.26	\$ 2,325,703.66						
Debt Service Fund	176,630.04	1.00	1.62	1.62						
Assigned, Reported in:										
Debt Service Fund	1.00	2.12	1.00							
Special Revenue Fund	(27,764.70)	(23,255.40)	(36,332.40)	(164,427.40)						
Unreserved, Reported in:										
Special Revenue Fund					\$ (164,427.40)	\$ (160,455.00)	\$ (284,859.54)	\$ (235,366.55)	\$ (235,366.55)	\$ (235,366.55)
Capital Projects Fund					3,901,803.13	114,822.38	66,000.00	21,580.83	71,833.99	71,833.99
Debt Service Fund					450.62	450.14	365.01	790.82	5,659.49	5,231.82
Total All Other Governmental Funds	\$ 2,517,733.60	\$ 2,053,674.98	\$ 2,045,301.48	\$ 2,161,277.88	\$ 3,737,826.35	\$ (45,182.48)	\$ (218,494.53)	\$ (212,994.90)	\$ (157,873.07)	\$ (158,300.74)

Source: District Records

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years (modified accrual basis of accounting)
 Unaudited

	For the Fiscal Year Ended June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Revenues										
Tax Levy	\$ 45,750,969.00	\$ 44,892,930.00	\$ 44,058,822.00	\$ 44,027,175.02	\$ 42,394,779.04	\$ 41,213,293.00	\$ 41,014,914.00	\$ 37,538,261.00	\$ 37,382,837.01	\$ 29,921,015.00
Tuition Charges	3,106,502.56	2,987,298.53	3,120,399.54	2,635,998.78	3,251,398.91	1,538,316.73	1,764,243.86	1,608,845.86	1,436,371.04	1,316,977.07
Miscellaneous	569,367.12	835,859.85	266,662.17	309,759.13	1,068,484.87	3,584,337.57	394,983.11	502,519.77	331,639.07	165,589.38
State Sources	54,434,537.28	54,811,201.59	54,237,640.15	52,331,888.15	55,383,711.42	54,014,942.95	53,819,667.88	50,323,194.78	48,158,733.93	47,187,803.43
Federal Sources	2,862,191.71	3,257,204.74	4,763,989.57	4,177,417.06	10,930,445.16	2,505,844.94	3,169,083.53	2,631,421.04	3,218,957.74	3,413,983.47
Total Revenue	106,723,567.67	106,784,494.71	106,447,513.43	104,022,238.14	113,018,799.40	102,886,735.19	100,159,892.38	92,604,242.45	90,528,538.79	82,005,368.35
Expenditures										
Instruction	28,334,715.34	27,179,251.77	27,339,416.31	27,525,944.47	28,225,521.32	27,535,033.16	31,438,619.78	26,476,693.08	28,076,468.84	25,486,173.24
Regular Instruction	8,749,824.47	8,097,470.92	8,398,810.52	7,880,606.26	7,941,070.56	7,803,957.38	7,420,898.74	6,793,151.27	6,941,631.34	6,804,674.61
Special Education Instruction	1,758,226.22	1,505,175.22	1,461,357.72	1,482,708.53	1,578,151.32	3,795,358.69	2,490,034.07	2,975,299.29	2,454,844.10	2,632,736.50
Other Special Instruction									106,650.18	67,308.72
Support Services:										
Instruction	5,785,988.45	5,450,112.82	7,835,984.90	7,405,572.45	6,904,502.87	5,982,316.31	6,284,524.65	6,020,297.11	5,220,113.55	4,804,936.54
Attendance and Social Work	63,936.39	78,351.19	82,845.05	72,240.96	64,140.96	244,292.98	271,308.30	208,616.70	138,106.43	108,304.72
Health Services	776,784.54	747,147.07	740,422.30	700,238.42	788,784.39	637,136.94	653,608.38	530,516.75	576,329.82	619,327.12
Support Services - Students	7,550,494.08	6,673,618.00	6,355,204.94	5,856,212.06	6,028,499.77	6,009,518.32	6,009,518.32	5,771,715.96	5,893,874.02	5,759,431.51
Support Services - Instructional Staff	550,000.35	486,688.43	421,323.39	411,789.39	590,847.27	393,122.28	517,993.77	320,799.02	435,584.87	559,759.22
Educational Media/Library	615,985.45	538,802.87	561,059.80	576,110.75	599,208.43	672,186.23	379,955.49	426,446.59	551,253.87	629,622.00
Instructional Staff Training Services	65,723.07	94,126.65	128,298.06	40,981.69	21,286.01	65,840.35	54,940.49	35,844.62	23,337.89	43,119.79
General Administrative Services	1,244,204.05	1,104,012.08	1,068,620.74	905,435.78	976,742.39	1,796,698.47	2,153,076.00	1,821,093.95	1,809,153.83	1,419,394.18
School Administrative Services	3,281,737.42	3,205,911.81	3,351,516.39	2,980,461.08	3,264,699.43	3,186,469.87	3,264,294.09	2,945,884.04	3,107,083.34	3,016,028.51
Plant Operations and Maintenance	8,527,915.23	5,918,158.16	6,809,037.09	5,981,094.90	6,566,385.73	6,949,554.25	6,797,980.81	6,422,041.78	6,060,588.89	5,701,947.85
Central Services	999,777.40	1,135,900.26	1,228,002.03	1,421,471.08	1,047,032.32	1,232,768.52	1,053,615.04	1,033,011.57	928,443.16	907,649.92
Administration Information Technology	530,693.27	512,386.21	550,284.86	1,289,677.10	862,319.26	389,658.65	384,062.28	371,678.05	331,553.67	279,648.29
Care and Upkeep of Grounds	148,522.50	40,153.50	14,559.50							
Security Equipment	1,800.00									
Pupil Transportation	7,082,617.62	6,972,998.54	6,957,149.28	7,078,312.73	6,385,817.15	6,561,727.17	6,785,610.04	5,924,609.56	5,531,935.57	5,076,904.44
Allocated Benefits									47,969.00	
Unallocated Employee Benefits	11,892,610.22	11,619,082.09	13,224,371.25	14,330,493.54	17,663,537.15	16,306,097.13	13,431,312.92	11,270,229.84	13,250,844.99	11,236,222.77
Other Undistributed Costs					39,497.47					
On-Behalf T.P.A.F. Social Security Contributions										
Normal Cost	1,532,563.00	2,521,413.00	1,292,256.00	1,277,152.00	1,418,837.00	1,265,561.00	2,942,998.00	2,969,552.00	414,200.00	1,328,808.00
Post-Retirement Medical Contribution	2,512,828.00	2,851,081.00	2,597,771.00	2,700,706.00	2,663,901.00	2,414,474.00	1,738,048.00	1,627,559.00	1,472,394.00	1,328,808.00
Reimbursed T.P.A.F. Social Security Contributions	2,777,389.76	2,953,856.09	2,655,208.14	2,841,781.89	3,081,906.00	3,061,902.47	3,222,160.86	2,777,870.86	2,867,460.04	2,729,723.71
Special Schools								1,210.59	236,283.62	323,720.97
Charter Schools	674,253.00	6,780,574.00	5,214,298.00	3,595,946.00	2,480,868.00	125,572.00	105,444.00	22,412.00	59,100.00	71,458.20
Capital Outlay	4,967,544.22	1,430,472.63	1,949,929.67	1,852,896.32	7,185,494.25	5,172,944.82	2,681,225.03	1,129,377.19	51,669.22	1,245,607.09
Debt Service:										
Principal	2,565,000.00	2,385,000.00	2,295,000.00	2,200,000.00	2,015,000.00	1,889,401.03	1,025,130.56	1,735,860.10	1,676,589.64	1,597,318.85
Interest and Other Charges	475,157.08	843,797.50	955,910.00	1,063,195.00	1,233,576.52	1,127,050.84	1,196,869.25	1,273,550.57	1,344,600.89	1,432,397.15
Total Expenditures	103,466,271.13	101,122,471.81	103,500,556.74	100,321,022.40	108,932,373.54	103,508,624.41	102,303,231.87	90,885,321.49	89,608,064.57	83,882,223.90
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,257,296.54	5,662,022.90	2,946,956.69	3,701,215.74	4,086,425.86	(651,889.22)	(2,143,339.49)	1,718,920.96	920,474.22	(1,876,865.55)

(Continued)

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years (modified accrual basis of accounting)
 Unaudited

	For the Fiscal Year Ended June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Other Financing Sources (Uses)										
Payments in Lieu of Assets to Non-Building Districts										\$ (364,265.00)
Operating Transfers In										8,331.84
Operating Transfers Out		\$ (90,222.80)								(8,331.34)
Transfers to Other Funds										1,182,427.38
Capital Leases (Non-budgeted)						\$ 1,811,125.24	\$ 996,397.90	\$ 1,097,177.79		
Law Suit Settlement								(600,000.00)		
Payment of Arbitrage Rebate										
Cancellation of Prior Year Accounts Receivable			\$ (9,431.00)			(11,775.29)	(127,147.63)			
Cancellation of Prior Year Interfund from Payroll						(34,115.00)	(7,031.77)			(177,409.97)
Refund of Prior Year Tuition										
Refund of Prior Year Payments for RDS Compensated Absences		5,680.39								
Allowance for Uncollectible Interfund from Regional Day School				\$ (1,222,820.55)						
Cancellation of Prior Year Receivable				(53,950.00)						
Total Other Financing Sources (Uses)	\$ -	\$ (73,777.57)	\$ (9,431.00)	\$ (1,276,770.55)	\$ -	\$ 1,765,234.95	\$ 862,218.50	\$ 497,177.79	\$ -	\$ 640,752.91
Net Change in Fund Balances	\$ 3,257,296.54	\$ 5,589,245.33	\$ 2,937,525.69	\$ 2,424,445.19	\$ 4,086,425.86	\$ 1,113,345.73	\$ (1,281,120.99)	\$ 2,216,098.75	\$ 920,474.22	\$ (1,236,102.64)
Debt Service as a Percentage of Noncapital Expenditures	3.09%	3.42%	3.20%	3.31%	3.19%	3.07%	2.23%	3.35%	3.37%	3.67%

Source: District Records

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 General Fund - Other Local Revenue by Source
 Last Ten Fiscal Years (modified accrual basis of accounting)
 Unaudited

	For the Fiscal Year Ended June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Interest on Investments	\$ 2,148.21	\$ 910.60		\$ 11,517.63	\$ 59,117.42	\$ 36,340.56	\$ 145,141.76	\$ 252,291.96	\$ 167,010.35	\$ 53,854.61
Interest Earned on Capital Reserve	1,304.06									
Interest Earned on Maintenance Reserve	260.85									
Use of Facilities Fees	3,643.30	3,391.25	\$ 45,009.00	14,375.12	49,890.60	26,849.37	16,600.00	17,468.75	47,373.55	11,137.50
Transportation Fees	245,750.00									31,036.20
Refund of Prior Yr. Expenses	4,603.49									
Refund of Workers' Compensation Premium	93,337.05	225,896.47	6,486.18	51,872.24	11,965.16	21,566.39	70,275.64	158,201.99		
Insurance Refund - NJSBAIG		259,053.06								
Settlements	90,030.76	78,479.84								
Sale of Assets		183,061.03								
Lost Book/ID Fine	4,669.42	12,307.63								
Other Refunds	13,619.65	5,673.51								
Close Out Regional Day School	87,355.13	34,315.14							4,101.41	10,573.30
Voided Checks	5,937.98									
Miscellaneous Other	13,652.13	27,526.87	215,166.99	176,452.33	876,058.18	201,830.52	51,732.24	30,107.61	103,762.96	52,127.39
Tuition	3,106,502.56	2,987,298.53	3,120,399.54	2,635,998.78	3,251,398.91	1,739,018.53	1,764,243.86	1,608,845.86	1,436,371.04	1,316,977.07
	<u>\$ 3,672,814.59</u>	<u>\$ 3,817,913.93</u>	<u>\$ 3,387,061.71</u>	<u>\$ 2,890,216.10</u>	<u>\$ 4,248,430.27</u>	<u>\$ 2,025,605.37</u>	<u>\$ 2,047,993.50</u>	<u>\$ 2,066,916.17</u>	<u>\$ 1,758,619.31</u>	<u>\$ 1,475,706.07</u>

Source: District Records.

Revenue Capacity Information

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Assessed Value and Actual Value of Taxable Property
 Last Ten Fiscal Years
 Unaudited

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Mar.	Commercial	Industrial	Apartment	Total Assessed Value	Less: Tax-Exempt Property	Public Utilities (1)	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate (2)
2014	\$ 69,446,200.00	\$ 2,250,791,900.00	\$ 30,134,000.00	\$ 3,941,700.00	\$ 190,768,100.00	\$ 31,104,200.00	\$ 45,827,300.00	\$ 2,622,013,400.00	\$ 407,042,800.00	\$ 5,490,350.00	\$ 2,627,503,750.00	\$ 2,574,238,392.00	1.759
2013	62,396,500.00	2,257,378,900.00	31,798,200.00	4,466,800.00	193,315,400.00	31,104,200.00	45,827,300.00	2,626,277,300.00	406,841,400.00	6,474,022.00	2,632,751,322.00	2,663,222,784.00	1.721
2012 (3)	66,789,800.00	2,266,055,900.00	32,080,100.00	4,416,200.00	187,359,700.00	32,988,900.00	45,236,900.00	2,634,827,500.00	411,891,700.00	6,567,342.00	2,641,494,842.00	2,841,963,839.00	1.684
2011	30,777,100.00	1,363,496,000.00	17,892,120.00	3,696,200.00	99,135,750.00	17,273,900.00	27,860,700.00	1,560,131,770.00	267,374,200.00	3,502,155.00	1,563,633,925.00	3,056,332,545.00	2.816
2010	32,403,400.00	1,358,745,300.00	19,806,820.00	3,854,800.00	97,660,650.00	17,273,900.00	27,860,700.00	1,557,606,570.00	270,370,800.00	4,159,428.00	1,561,764,998.00	3,105,743,340.00	2.767
2009	33,910,400.00	1,351,170,300.00	21,962,820.00	4,092,900.00	94,694,450.00	18,273,900.00	27,860,700.00	1,551,966,470.00	269,017,600.00	4,015,880.00	1,555,961,350.00	3,172,336,969.00	2.686
2008	36,846,200.00	1,326,369,500.00	21,549,220.00	4,236,600.00	92,319,950.00	19,973,900.00	31,575,100.00	1,534,872,470.00	364,910,600.00	3,569,124.00	1,538,441,594.00	3,020,641,372.00	2.673
2007	41,017,800.00	1,284,205,000.00	21,452,820.00	4,226,000.00	89,258,650.00	20,132,300.00	31,575,100.00	1,491,867,670.00	253,558,500.00	3,766,762.00	1,495,634,432.00	2,871,452,855.00	2.626
2006	51,997,300.00	1,207,748,700.00	21,022,820.00	4,317,700.00	89,586,550.00	20,392,500.00	31,578,100.00	1,426,643,670.00	251,008,400.00	4,083,703.00	1,430,727,373.00	2,199,750,272.00	2.618
2005	50,204,400.00	1,113,457,400.00	21,114,120.00	4,360,000.00	88,084,250.00	20,908,000.00	31,709,300.00	1,329,837,470.00	248,782,600.00	4,859,382.00	1,334,696,902.00	1,816,720,459.00	2.514

(1) Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies
 (2) Tax Rates are per \$100.00 of Assessed Valuation
 (3) Revaluation

Source: Camden County Board of Taxation

TOWNSHIP OF WINSLOW SCHOOL DISTRICT

Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years
 (rate per \$100 of assessed value)
 Unaudited

Fiscal Year Ended June 30.	District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Winslow Township School District Basic Rate (1)	General Obligation Debt Service (2)	Total Direct School Tax Rate	Winslow Township	Camden County	Fire Districts	
2014	\$ 1.721	\$ 0.038	\$ 1.759	\$ 0.580	\$ 0.834	\$ 0.132	\$ 3.305
2013	1.682	0.039	1.721	0.567	0.840	0.133	3.261
2012	1.617 (3)	0.067	1.684	0.512	0.828	0.128	3.152
2011	2.712	0.104	2.816	0.847	1.392	0.205	5.260
2010	2.663	0.104	2.767	0.847	1.297	0.207	5.118
2009	2.622	0.064	2.686	0.782	1.263	0.203	4.934
2008	2.603	0.070	2.673	0.767	1.248	0.193	4.881
2007	2.522	0.104	2.626	0.669	1.254	0.191	4.740
2006	2.521	0.097	2.618	0.581	1.246	0.165	4.610
2005	2.418	0.096	2.514	0.581	1.129	0.145	4.369

(1) The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.

(2) Rates for debt service are based on each year's requirements.

(3) Revaluation

Source: Municipal Tax Collector

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Principal Property Tax Payers
 Current Year and Nine Years Ago
 Unaudited

	2014			2005		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
A.C. Moore Urban Renewal, LLC	\$ 24,171,000.00	(1)	0.92%	\$ 21,709,600.00	(1)	1.63%
Sunrise Cedar Parke SL, LLC	15,000,000.00	2	0.57%			
Manville Insulation	13,900,000.00	3	0.53%	9,068,600.00	4	0.68%
Tamerlane/Colleen Manor	10,880,100.00	4	0.41%	6,968,000.00	5	0.52%
Turnersville Landing LP	9,219,000.00	5	0.35%			
Inland American Sicklerville, LLC	8,258,600.00	6	0.31%	5,595,000.00	6	0.42%
Edgewood Acres/Gardens	8,098,400.00	7	0.31%	5,140,500.00	8	0.39%
Banko Beverage	7,050,000.00	8	0.27%			
Winslow Center Partners	6,100,000.00	9	0.23%			
Regency House Apartments, LLC	5,766,500.00	10	0.22%			
Gateway Communities Inc.				13,500,000.00	2	1.01%
Heritage Group-Wilton's Corner				9,829,300.00	3	0.74%
GFS Realty Co.				5,570,000.00	7	0.42%
Bell Atlantic				4,858,832.00	9	0.36%
Kings Highway Commerce				3,500,000.00	10	0.26%
Total	\$ 108,443,600.00		4.13%	\$ 85,739,832.00		6.42%

(1) Currently under Tax Abatement Agreements

Source: Municipal Tax Assessor

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Property Tax Levies and Collections
 Last Ten Fiscal Years
 Unaudited

Fiscal Year Ended June 30.	General Purpose Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy (1)		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	\$ 45,750,969.00	\$ 41,938,388.25	92%	\$ 3,812,580.75
2013	44,892,930.00	41,296,418.75	92%	3,596,511.25
2012	44,058,822.00	40,517,007.08	92%	3,541,814.92
2011	44,027,175.02	44,027,175.02	100%	-
2010	40,876,097.00	40,876,097.00	100%	-
2009	39,803,697.00	39,803,697.00	100%	-
2008	39,942,508.00	39,942,508.00	100%	-
2007	35,994,372.00	35,994,372.00	100%	-
2006	35,994,372.00	35,994,372.00	100%	-
2005	28,733,118.00	28,733,118.00	100%	-

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

Source: District records including the Certificate and Report of School Taxes (A4F form)

Debt Capacity Information

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for a historical view of the School District's outstanding debt and its debt capacity.

TOWNSHIP OF WINSLOW SCHOOL DISTRICT

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities			Percentage of Personal Income (2)	Per Capita (3)
	General Obligation Bonds (1)	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANS)	Capital Leases	Total District	Income (2)		
2014	\$ 15,695,000.00	-	-	-	-	\$ 15,695,000.00	N/A	N/A	
2013	18,260,000.00	-	\$ 3,919.55	-	-	18,263,919.55	N/A	N/A	
2012	21,335,000.00	-	12,085.95	-	-	21,347,085.95	0.21%	45,540	
2011	23,630,000.00	-	49,988.23	-	-	23,679,988.23	0.19%	44,359	
2010	25,830,000.00	-	421,249.23	-	-	26,251,249.23	0.16%	42,457	
2009	27,845,000.00	-	2,687,700.91	-	-	30,532,700.91	0.14%	42,242	
2008	26,215,000.00	-	1,657,001.32	-	-	27,872,001.32	0.15%	42,260	
2007	27,030,000.00	-	1,688,432.27	-	-	28,718,432.27	0.14%	40,996	
2006	28,565,000.00	-	1,383,975.32	-	-	29,948,975.32	0.13%	39,561	
2005	30,050,000.00	-	2,485,467.72	-	-	32,535,467.72	0.11%	37,314	

- (1) District Records
- (2) Personal income has been estimated based upon the municipal population and per capita
- (3) Per Capita personal income by municipality-estimated based upon Census Bureau midyear population estimates

N/A At the time of CAFR completion, this data was not yet available

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
Unaudited

<u>General Bonded Debt Outstanding</u>					
<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>General</u> <u>Obligation</u> <u>Bonds</u>	<u>Deductions</u>	<u>Net General</u> <u>Bonded Debt</u> <u>Outstanding (1)</u>	<u>Percentage of</u> <u>Actual Taxable</u> <u>Value of Property (2)</u>	<u>Per Capita (3)</u>
2014	\$ 15,695,000.00	\$ -	\$ 15,695,000.00	0.60%	N/A
2013	18,260,000.00	-	18,260,000.00	0.69%	466
2012	21,335,000.00	-	21,335,000.00	0.81%	544
2011	23,630,000.00	-	23,630,000.00	1.51%	599
2010	25,830,000.00	-	25,830,000.00	1.65%	654
2009	27,845,000.00	-	27,845,000.00	1.79%	703
2008	26,215,000.00	-	26,215,000.00	1.70%	666
2007	27,030,000.00	-	27,030,000.00	1.81%	690
2006	28,565,000.00	-	28,565,000.00	2.00%	744
2005	30,050,000.00	-	30,050,000.00	2.25%	808

Sources:

(1) District Records

(2) Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation

(3) Per Capita calculation based upon population information provided by the NJ Dept. of Labor and Workforce Development

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2013
 Unaudited

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Statutory Net Debt Outstanding</u>	<u>Net Debt Outstanding Allocated to Winslow Township</u>
Municipal Debt: (1)				
Winslow Township School District	\$ 16,780,000.00	\$ 16,780,000.00		
Winslow Township	<u>36,921,560.72</u>	<u>25,190,732.25</u>	<u>\$ 11,730,828.47</u>	<u>\$ 11,730,828.47</u>
	<u>53,701,560.72</u>	<u>41,970,732.25</u>	<u>11,730,828.47</u>	<u>11,730,828.47</u>
Overlapping Debt Apportioned to the Municipality:				
County of Camden: (2)				
General:				
Bonds	42,085,352.00	13,774,588.00 (3)	28,310,764.00	1,960,127.77 (5)
Loan Agreement	191,780,000.00		191,780,000.00	13,278,105.22 (5)
Bonds Issued by Other Public Bodies				
Guaranteed by the County	<u>689,242,784.00</u>	<u>689,242,784.00 (4)</u>	<u>-</u>	<u>-</u>
	<u>923,108,136.00</u>	<u>703,017,372.00</u>	<u>220,090,764.00</u>	<u>15,238,232.99</u>
	<u>\$ 976,809,696.72</u>	<u>\$ 744,988,104.25</u>	<u>\$ 231,821,592.47</u>	<u>\$ 26,969,061.46</u>

Sources:

- (1) Winslow Township Annual Debt Statement - December 31, 2013
- (2) Camden County Report of Audit - December 31, 2013
- (3) Includes Reserve for Payment of Bonds, Other Accounts Receivable and General Obligation Pension Refunding Bonds.
- (4) Deductible in accordance with N.J.S.A. 40:37A-80.
- (5) Such debt is allocated as a proportion of the Township's share of the total 2013 Equalized Value, which is 6.92%.

The source for this computation was the 2013 Table of Equalized Valuations, which is supplied by the New Jersey Division of Taxation.

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Legal Debt Margin Information
 Last Ten Fiscal Years
 Unaudited

Legal Debt Margin Calculation for Fiscal Year 2014

Equalized Valuation Basis (1)	
2013	\$ 2,563,722,472.00
2012	2,656,176,915.00
2011	2,812,568,542.00
[A]	\$ 8,032,467,929.00
[A/3]	\$ 2,677,489,309.67
[B]	107,099,572.39
[C]	16,780,000.00
[B-C]	\$ 90,319,572.39

Average equalized valuation of taxable property

Debt limit (4% of average equalization value) (2)

Total Net Debt Applicable to Limit

Legal Debt Margin

Fiscal Year

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Debt limit	\$ 107,099,572.39	\$ 113,180,418.16	\$ 118,587,122.75	\$ 123,726,858.07	\$ 121,216,618.29	\$ 114,253,019.89	\$ 100,008,360.63	\$ 83,991,870.41	\$ 70,290,482.36	\$ 61,597,227.37
Total net debt applicable to limit (3)	16,780,000.00	18,260,000.00	21,335,000.00	23,630,000.00	25,830,000.00	27,970,000.00	26,215,000.00	27,030,000.00	28,565,000.00	30,050,000.00
Legal debt margin	\$ 90,319,572.39	\$ 94,920,418.16	\$ 96,957,122.75	\$ 100,096,858.07	\$ 95,386,618.29	\$ 86,283,019.89	\$ 56,961,870.41	\$ 56,961,870.41	\$ 41,725,482.36	\$ 31,547,227.37
Total net debt applicable to the limit as a percentage of debt limit	15.67%	16.13%	17.99%	19.10%	21.31%	24.48%	26.21%	32.18%	40.64%	48.78%

Sources:

- (1) Equalized valuation bases were provided by the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation.
- (2) Limit set by NJSA 18A:24-19 for a K through 12 district.
- (3) District Records

Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within which the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
2014	N/A	N/A	N/A	N/A
2013	39,165	N/A	N/A	9.50%
2012	39,238	\$ 1,786,898,520.00	45,540	10.90%
2011	39,466	1,750,672,294.00	44,359	10.80%
2010	39,493	1,676,754,301.00	42,457	11.00%
2009	39,600	1,672,783,200.00	42,242	10.50%
2008	39,365	1,663,564,900.00	42,260	7.10%
2007	39,169	1,605,772,324.00	40,996	5.80%
2006	38,394	1,518,905,034.00	39,561	6.30%
2005	37,213	1,388,565,882.00	37,314	5.00%

Sources:

- (1) Population information provided by the NJ Dept. of Labor and Workforce Development
- (2) Personal income has been estimated based upon the municipal population and per capita personal income presented
- (3) Per Capita personal income by municipality-estimated based upon the 2010/2000 Census published by the US Bureau of Economic Analysis.
- (4) Unemployment data provided by the NJ Dept. of Labor and Workforce Development

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Principal Employers in Camden County
 Current Year and Nine Years Ago
 Unaudited

	2014				2005			
	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Rank (Optional)</u>
Cooper University Health System	6,000	1	N/A	3,100	1	N/A		
Virtua Health System	4,000	2	N/A	2,600	2			
J&J Snack Foods Corp	2,700	3	N/A					
United State Parcel Service	2,500	4	N/A					
Our Lady of Lourdes Health System	2,300	5	N/A	2,400	3	N/A		
Campbell Soup Company	2,000	6	N/A	1,500	5	N/A		
Bancroft NeuroHealth	1,950	7	N/A	1,000	6	N/A		
Kennedy Health System	1,500	8	N/A	1,600	4	N/A		
Aluminum Shapes	1,300	9	N/A					
L-3 Communication Systems - East	1,200	10	N/A	900	7	N/A		
CIGNA				700	8	N/A		
	<u>25,450</u>			<u>13,800</u>				

Source: The Camden County Improvement Authority and Choose NJ (2012)
 Employee information for the Township is not available.

Operating Information

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Full-time Equivalent District Employees by Function/Program
 Last Ten Fiscal Years
 Unaudited

<u>Function/Program</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Instruction										
Regular	338	326	335	357	382	405	383	360	358	348
Special education	114	105	108.5	114	111	114	179	175	146	147
Other special education	56	54.5	58.5	59	77	50	53	33	39	59
Other instruction	9	9	9	10	13	9	2	2	2	3
Adult/continuing education programs								1	1	
Support Services:										
Attendance and Social Work	3.5	4	4.5	7	15	15	5	6	4	4
Health Services	10	10	10	12	13	14	13	8	9	11
Student & instruction related services					141	169	79	104	142	151
General administrative services	40.5	41.5	39.5	41	48	62	50	19	21	23
School administrative services	29	30	30	29.5	29	27	49	46	46	48
Business administrative services	9	9	9	12.5	14	17	21	22	18	14
Plant operations and maintenance					49	112	135	135	102	110
Pupil transportation	75	73	75.5	77	80	81	86	75	74	67
Food Service	4	4	5	8	14	11	12	13	16	16
Child Care		4	9	9	24	27	28	26	31	31
Total	688	670	694	736	1,010	1,113	1,095	1,025	1,009	1,032

Source: District Personnel Records

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Operating Statistics
 Last Ten Fiscal Years
 Unaudited

<u>Year</u>	<u>Enrollment</u>	<u>Teaching Staff (1)</u>	<u>Pupil/Teacher Ratio</u>			<u>Average Daily Enrollment (ADE) (2)</u>		<u>Average Daily Attendance (ADA) (2)</u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
			<u>Elementary</u>	<u>Elementary</u>	<u>Middle School</u>	<u>High School</u>	<u>(ADE) (2)</u>			
2014	4,909	518	9.72/1	8.87/1	8.68/1	10.35/1	4,862	4,614	5.06%	94.90%
2013	5,137	519	10.33/1	9.26/1	8.97/1	10.68/1	4,628	4,388	-5.61%	94.81%
2012	5,343	510	11.89/1	10.05/1	8.77/1	10.51/1	4,903	4,649	-6.77%	94.82%
2011	5,652	570	10.68/1	9.54/1	8.12/1	10.65/1	5,259	4,967	-3.11%	94.45%
2010	5,941	507	10.66/1	12.37/1	11.82/1	12.27/1	5,428	5,098	-4.39%	93.92%
2009	6,006	526	10.57/1	11.58/1	11.06/1	11.84/1	5,677	5,236	-7.24%	92.23%
2008	6,027	568	9.93/1	10.80/1	10.41/1	12.62/1	6,120	5,795	-3.22%	94.69%
2007	6,281	593	10.45/1	11.22/1	11.33/1	12.10/1	6,324	5,966	-3.67%	94.34%
2006	6,470	614	9.88/1	10.12/1	9.77/1	11.07/1	6,565	6,184	2.85%	94.20%
2005	6,358	653	12.0/1	12.0/1	12.0/1	12.0/1	6,383	6,002	4.66%	94.03%

Sources: District records

(1) Teaching staff includes only full-time equivalents of certificated staff.

(2) Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 School Building Information
 Last Ten Fiscal Years
 Unaudited

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
District Building										
Elementary										
School 1 (First Year 1967)										
Square Feet	43,700	43,700	43,700	43,700	43,700	43,700	43,700	43,700	43,700	43,700
Capacity (students)	305	305	305	305	305	305	305	305	305	305
Enrollment	364	358	320	333	376	376	376	376	404	N/A
School 2 (First Year 1967)										
Square Feet	43,700	43,700	43,700	43,700	43,700	43,700	43,700	43,700	43,700	43,700
Capacity (students)	309	309	309	309	309	309	309	309	309	309
Enrollment	345	280	340	289	368	368	368	368	403	N/A
School 3 (First Year 1973)										
Square Feet	53,650	53,650	53,650	53,650	53,650	53,650	53,650	53,650	53,650	53,650
Capacity (students)	401	401	401	401	401	401	401	401	401	401
Enrollment	440	404	384	344	483	483	483	483	516	N/A
School 4 (First Year 1976)										
Square Feet	69,075	69,075	69,075	69,075	69,075	69,075	69,075	69,075	69,075	69,075
Capacity (students)	449	449	449	449	449	449	449	449	449	449
Enrollment	492	491	436	420	438	438	438	438	496	N/A
School 5 (First Year 1989)										
Square Feet	111,680	111,680	111,680	111,680	111,680	111,680	111,680	111,680	111,680	111,680
Capacity (students)	515	515	515	515	515	515	515	515	515	515
Enrollment	633	605	673	744	645	645	645	645	645	N/A
School 6 (First Year 1993)										
Square Feet	111,680	111,680	111,680	111,680	111,680	111,680	111,680	111,680	111,680	111,680
Capacity (students)	594	594	594	594	594	594	594	594	594	594
Enrollment	481	533	533	640	701	701	701	701	701	N/A
Middle School										
Winslow Township Middle School (First Year 1970)										
Square Feet	193,567	193,567	193,567	193,567	193,567	193,567	193,567	193,567	193,567	193,567
Capacity (students)	1,127	1,127	1,127	1,127	1,127	1,127	1,127	1,127	1,127	1,127
Enrollment	844	788	858	1,296	1,296	1,421	1,421	1,421	1,416	N/A
High School										
Winslow Township High School (First Year 1958)										
Square Feet	204,762	204,762	204,762	204,762	204,762	204,762	204,762	204,762	204,762	204,762
Capacity (students)	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111
Enrollment	1,310	1,277	1,360	1,540	1,353	1,353	1,353	1,353	1,682	N/A
Other										
Central Administration (1970) - Square Feet	3,220	3,220	3,220	3,220	3,220	3,220	3,220	3,220	3,220	3,220
NJ Regional Day School - Square Feet	27,180	27,180	27,180	27,180	27,180	27,180	27,180	27,180	27,180	27,180
Board Office (Coopers Folly Road) - Square Feet	5,642	5,642	5,642	5,642	5,642	5,642	5,642	5,642	5,642	5,642
Special Services/Maintenance - Square Feet	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200
Bus Garage - Square Feet	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Custodial Warehouse - Square Feet	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
M&O Garage Warehouse - Square Feet	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
School #1 Garage - Square Feet	500	500	500	500	500	500	500	500	500	500
School #2 Garage - Square Feet	500	500	500	500	500	500	500	500	500	500
Middle School Garage - Square Feet	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500

Number of Schools at June 30, 2014
 Elementary = 6
 Middle School = 1
 Senior High School = 1

Source: District records

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Schedule of Required Maintenance
 Last Ten Fiscal Years
 Unaudited

UNDISTRIBUTED EXPENDITURES - REQUIRED MAINTENANCE FOR SCHOOL FACILITIES

11-000-261-XXX

* School Facilities	Project # (s)	For the Fiscal Year Ended June 30,									
		2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
School 1	030	\$ 143,364.34	\$ 37,142.45	\$ 90,508.88	\$ 21,920.64	\$ 82,755.14	\$ 71,726.70	\$ 48,274.83	\$ 54,238.45	\$ 48,781.90	\$ 51,064.46
School 2	040	118,682.26	37,142.45	90,508.88	21,920.64	82,755.14	71,726.70	48,274.83	54,238.45	48,781.90	51,064.46
School 3	050	324,369.08	48,220.03	117,502.76	28,458.38	107,436.49	93,118.87	62,672.59	70,414.83	63,330.89	66,294.21
School 4	060	166,017.80	48,220.03	117,502.76	28,458.38	107,436.49	93,118.87	62,672.59	70,414.83	63,330.89	66,294.21
School 5	070	323,243.84	51,478.14	125,442.13	30,381.24	114,695.72	99,410.69	66,907.22	75,172.59	67,610.01	70,773.55
School 6	080	336,695.25	51,478.14	125,442.13	30,381.24	114,695.72	99,410.69	66,907.22	75,172.59	67,610.01	70,773.55
Middle School	020	537,105.47	188,970.37	460,483.78	111,528.07	421,034.91	364,925.30	245,608.79	275,950.03	248,188.63	259,801.63
High School	010	250,411.25	177,241.18	431,902.02	104,603.76	394,901.70	342,274.77	230,364.11	258,822.10	232,783.82	243,676.01
Administration	999	820,696.13	11,729.20	28,581.75	6,922.31	26,133.20	22,650.54	15,244.68	17,127.93	15,404.81	16,125.62
Total School Facilities		3,020,585.42	651,621.98	1,587,875.09	384,572.64	1,451,844.50	1,258,363.11	846,926.86	951,551.82	855,822.87	895,867.70
Other Facilities	999	69,238.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
Total		\$ 3,089,823.42	\$ 651,621.98	\$ 1,587,875.09	\$ 384,572.64	\$ 1,451,844.50	\$ 1,258,363.11	\$ 846,926.86	\$ 951,551.82	\$ 855,822.87	\$ 895,868.70

* 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

TOWNSHIP OF WINSLOW SCHOOL DISTRICT

Insurance Schedule

June 30, 2014

Unaudited

	<u>Coverage</u>	<u>Deductible</u>
New Jersey School Boards Association Insurance Group		
Commercial Property Coverage:		
Blanket Building & Business Personal Property	\$ 168,883,630.00	\$ 5,000.00
General Liability:		
Products and Completed Operations	11,000,000.00	
Personal and Advertising Injury	11,000,000.00	
Combined Single Limit for Bodily Injury & Property Damage	11,000,000.00	
Child Molestation/Sexual Abuse Limit - Occurrence	11,000,000.00	
Child Molestation/Sexual Abuse Limit - Annual Pool Aggregate	11,000,000.00	
Employee Benefits Limit	11,000,000.00	1,000.00
Commercial Inland Marine:		
Blanket Hardware and Software	1,200,000.00	1,000.00
Boiler and Machinery:		
Combined Single Limit per Accident for Property Damage and Business Income	100,000,000.00	5,000.00
Commercial Crime Section:		
Employee Dishonesty Coverage	100,000.00	1,000.00
Business Auto Coverage:		
Combined Single Limit	11,000,000.00	1,000.00
School District Legal Liability:		
Legal Liability Limit	11,000,000.00	15,000.00
Pollution Liability Policy:		
EIL - Incident Limit	1,000,000.00	
EIL - Aggregate Limit	11,000,000.00	
Workers Compensation Policy:		
Bodily Injury by Accident	2,000,000.00	
Bodily Injury by Disease - Aggregate Limit	2,000,000.00	
Bodily Injury by Disease - Each Employee	2,000,000.00	
Ohio Casualty Group		
Public Official Bond - Board Secretary/Business Administrator	450,000.00	
Public Official Bond - Board Secretary/Assistant Business Administrator	35,000.00	
National Union Fire Ins. Co of Pittsburg, PA/ The Maksin Group		
Student Accident Policies:		
Catastrophic Student Accident Coverage:		
Accident Medical Expense Benefit - Maximum Benefit per Participant	5,000,000.00	
Catastrophic Cash Benefit - Maximum Benefit Amount	1,000,000.00	
Markel Insurance Company		
Student Accident Policies:		
Maximum Benefit Amount	1,000,000.00	

SINGLE AUDIT SECTION

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 AND
STATE OF NEW JERSEY CIRCULAR 04-04-OMB**

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Township of Winslow School District
County of Camden, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Township of Winslow School District's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement and the New Jersey State Grant Compliance Supplement that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2014. The 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 the 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; audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey; OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; and State of New Jersey Circular 04-04-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards, OMB Circular A-133, and State of New Jersey Circular 04-04-OMB, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Township of Winslow 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 and state program. However, our audit does not provide a legal determination of the School District's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the Township of Winslow School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2014.

Report on Internal Control Over Compliance

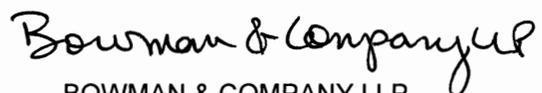
Management of the Township of Winslow School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School District's internal 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 and State of New Jersey Circular 04-04-OMB, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the 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 State of New Jersey Circular 04-04-OMB. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Carol A. McAllister
Certified Public Accountant
Public School Accountant No. CS 238400

Voorhees, New Jersey
November 17, 2014

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Schedule of Expenditures of Federal Awards
 For the Fiscal Year Ended June 30, 2014

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	Federal CFDA Number	Grant or State Project Number	Program or Award Amount	<u>Grant Period</u>	
				From	To
U.S. Department of Education					
Passed-Through State Department of Education:					
General Fund:					
Medical Assistance Program (SEMI)	93.778	14-100-054-7540-211	\$ 238,457.69	9/1/13	8/31/14
Total Medical Assistance Program (SEMI)					
Education Jobs Fund	84.410	11-100-034-5120-508	4,028.00	7/1/12	9/30/12
Total Education Jobs Fund					
Total General Fund					
U.S. Department of Education					
Passed-Through State Department of Education:					
Special Revenue Fund:					
Title I - Cluster					
Title I - Part A	84.010	NCLB582014	855,853.00	7/1/13	6/30/14
Title I - Part A	84.010	NCLB582013	999,113.00	9/1/12	8/31/13
Total Title I Cluster					
I.D.E.A. Part B Cluster					
I.D.E.A. Part B Basic Regular	84.027	FT582014	1,305,733.17	7/1/13	6/30/14
I.D.E.A. Part B Basic Regular	84.027	FT582013	1,271,945.10	9/1/12	8/31/13
I.D.E.A. Part B Preschool	84.173	PSH582014	64,852.90	7/1/13	6/30/14
I.D.E.A. Part B Preschool	84.173	PSH582013	64,285.61	9/1/12	8/31/13
Total I.D.E.A. Part B Cluster					
Other Grants:					
Title II A	84.367	NCLB582014	240,658.00	7/1/13	6/30/14
Title II A	84.367	NCLB582013	276,199.03	9/1/12	8/31/13
Title III	84.365	NCLB582014	21,906.00	7/1/13	6/30/14
Title III	84.365	NCLB582013	15,589.52	9/1/12	8/31/13
Carl D. Perkins Grant	84.708	PERK582014	44,848.00	7/1/13	6/30/14
Carl D. Perkins Grant	84.708	PERK582013	46,906.00	7/1/12	6/30/13
JROTC	99.472	N/A	79,097.49	7/1/13	6/30/14
JROTC	99.472	N/A	78,783.33	7/1/12	6/30/13
Race to the Top	84.416	12-100-034-5063-345	76,113.00	7/1/12	6/30/13
Total Other Grants					
Total Special Revenue Fund					
U.S. Department of Agriculture					
Passed-Through State Department of Education					
Enterprise Fund:					
Child Nutrition Cluster:					
Food Distribution	10.550	N/A	147,769.39	7/1/13	6/30/14
Food Distribution	10.550	N/A	141,301.96	7/1/12	6/30/13
National School Lunch Program	10.555	14-100-026-3350-010	1,164,032.49	7/1/13	6/30/14
National School Lunch Program	10.555	13-100-026-3350-010	932,635.89	7/1/12	6/30/13
School Breakfast Program	10.553	14-100-028-3350-010	266,614.72	7/1/13	6/30/14
School Breakfast Program	10.553	13-100-028-3350-010	226,965.00	7/1/12	6/30/13
Summer Food Service Program	10.559	13-100-034-3350-010	37,572.88	7/1/13	6/30/14
Total Child Nutrition Cluster					
Total Enterprise Fund					
Total Federal Financial Assistance					

The accompanying Notes to Financial Statements and Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

Balance at June 30, 2013						Balance at June 30, 2014		
Unearned Revenue/ (Accounts Receivable)	Due to Grantor	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	(Accounts Receivable)	Unearned Revenue	Due to Grantor
			\$ 238,457.69	\$ 238,457.69				
	-	-	238,457.69	238,457.69	-		-	-
\$ (4,028.00)			4,028.00					
(4,028.00)			4,028.00					
(4,028.00)	-	-	242,485.69	238,457.69	-		-	-
		\$ 70,568.09	355,495.00	714,160.36		\$ (288,097.27)		
(395,933.47)		(70,568.09)	655,823.00	189,321.44				
(395,933.47)	-	-	1,011,318.00	903,481.80	-	(288,097.27)	-	-
		147,561.17	943,368.00	1,216,981.26		(126,052.09)		
(456,522.12)		(147,561.17)	633,917.00	29,833.71				
		5,277.90	40,905.10	53,813.38		(7,630.38)		
(31,501.10)		(5,277.90)	36,778.90		\$ 0.10			
(488,023.22)	-	-	1,654,969.00	1,300,628.35	0.10	(133,682.47)	-	-
		37,232.60	28,873.03	139,036.39		(72,930.76)		
(81,688.03)		(37,232.60)	204,381.97	85,461.37	0.03			
		8.77	16,500.00	21,182.25		(4,673.48)		
(7,600.23)		(8.77)	7,609.00			(40,710.85)		
(17,925.97)			3,042.00	43,752.85				
			17,925.00		0.97	(6,566.15)		
(6,626.14)			72,531.34	79,097.49				
(61,049.75)			6,626.14					
			76,113.00	15,063.25				
(174,890.12)	-	-	433,601.48	383,593.60	1.00	(124,881.24)	-	-
(1,058,846.81)	-	-	3,099,888.48	2,587,703.75	1.10	(546,660.98)	-	-
			147,769.39	131,549.68			\$ 16,219.71	
17,562.35				17,562.35				
(179,400.23)			1,083,062.33	1,164,032.49		(80,970.16)		
			179,400.23			(19,268.41)		
(45,619.34)			247,346.31	266,614.72				
			45,619.34					
			37,572.88	37,572.88				
(207,457.22)	-	-	1,740,770.48	1,617,332.12	-	(100,238.57)	16,219.71	-
(207,457.22)	-	-	1,740,770.48	1,617,332.12	-	(100,238.57)	16,219.71	-
\$ (1,270,332.03)	\$ -	\$ -	\$ 5,083,144.65	\$ 4,443,493.56	\$ 1.10	\$ (646,899.55)	\$ 16,219.71	\$ -

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Schedule of Expenditures of State Financial Assistance
 For the Fiscal Year Ended June 30, 2014

State Grantor/ Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2013	
			From	To	Unearned Revenue/ (Accounts Receivable)	Due to Grantor
State Department of Education (State Aid):						
General Fund:						
State Aid - Public Cluster:						
Equalization Aid	14-495-034-5120-078	\$ 38,341,995.00	7/1/13	6/30/14		
Special Education Categorical Aid	14-495-034-5120-089	3,025,665.00	7/1/13	6/30/14		
Security Aid	14-495-034-5120-084	1,389,418.00	7/1/13	6/30/14		
Adjustment Aid	14-495-034-5120-085	209,733.00	7/1/13	6/30/14		
Equalization Aid	13-495-034-5120-078	37,915,643.00	7/1/12	6/30/13	\$ (3,686,332.00)	
Special Education Categorical Aid	13-495-034-5120-089	3,006,690.00	7/1/12	6/30/13	(292,324.00)	
Security Aid	13-495-034-5120-084	1,353,929.00	7/1/12	6/30/13	(131,635.00)	
Adjustment Aid	13-495-034-5120-085	202,554.00	7/1/12	6/30/13	(19,694.00)	
Total State Aid - Public Cluster					(4,129,985.00)	-
Extraordinary Special Education Cost Aid:						
Extraordinary Aid	14-100-034-5120-473	349,781.00	7/1/13	6/30/14		
Extraordinary Aid	13-100-034-5120-473	366,680.00	7/1/12	6/30/13	(366,680.00)	
Total Extraordinary Special Education Cost Aid					(366,680.00)	
Transportation Aid:						
Transportation Aid	14-495-034-5120-014	1,066,545.00	7/1/13	6/30/14		
Transportation Aid	13-495-034-5120-014	1,062,437.00	7/1/12	6/30/13	(103,295.00)	
Nonpublic Transportation Aid	14-495-034-0510-319	71,304.00	7/1/13	6/30/14		
Nonpublic Transportation Aid	13-495-034-0510-319	117,289.30	7/1/12	6/30/13	(117,289.30)	
Total Transportation Aid					(220,584.30)	
Reimbursed TPAF Social Security Contributions:						
Reimbursed TPAF Social Security Contributions	14-495-034-5095-002	2,777,389.76	7/1/13	6/30/14		
Reimbursed TPAF Social Security Contributions	13-495-034-5095-002	2,953,856.09	7/1/12	6/30/13	(322,619.37)	
Total Reimbursed TPAF Social Security Contributions					(322,619.37)	-
Total General Fund					(5,039,868.67)	-
Special Revenue Fund:						
Preschool Education Aid:						
Preschool Education Aid	14-495-034-5120-086	277,647.00	7/1/13	6/30/14		
Preschool Education Aid	13-495-034-5120-086	232,544.00	7/1/12	6/30/13	(16,375.00)	
Preschool Education Aid	12-495-034-5120-086	363,324.00	7/1/11	6/30/12	205,924.09	
Total Preschool Education Aid					189,549.09	-
N.J. Nonpublic Textbook Aid:						
Textbook Aid	14-100-034-5120-064	6,472.00	7/1/13	6/30/14		
Textbook Aid	13-100-034-5120-064	5,389.00	7/1/12	6/30/13		\$ 2.44
Total N.J. Nonpublic Textbook Aid:					-	2.44
N.J. Nonpublic Technology Initiative Aid:						
Technology Initiative Aid	14-100-034-5120-373	2,360.00	7/1/13	6/30/14		
Technology Initiative Aid	13-100-034-5120-373	1,989.00	7/1/12	6/30/13		53.19
Total N.J. Nonpublic Technology Initiative Aid:					-	53.19
N.J. Nonpublic Nursing Aid:						
Nursing Services	14-100-034-5120-070	9,110.00	7/1/13	6/30/14		
Nursing Services	13-100-034-5120-070	7,480.00	7/1/12	6/30/13		74.80
Total N.J. Nonpublic Nursing Aid:					-	74.80
N.J. Nonpublic Auxiliary Services Aid:						
Auxiliary Services:						
Compensatory Education	14-100-034-5120-067	60,775.00	7/1/13	6/30/14		
Transportation (CST)	14-100-034-5120-067	11,438.00	7/1/13	6/30/14		
Auxiliary Services:						
Compensatory Education	13-100-034-5120-067	44,312.00	7/1/12	6/30/13		22,824.23
Transportation (CST)	13-100-034-5120-067	14,784.00	7/1/12	6/30/13		10,705.78
Total N.J. Nonpublic Auxiliary Services Aid:					-	33,530.01
N.J. Nonpublic Handicapped Services Aid:						
Handicapped Services:						
Corrective Speech	14-100-034-5120-066	24,998.00	7/1/13	6/30/14		
Supplementary Instruction	14-100-034-5120-066	9,714.00	7/1/13	6/30/14		
Initial Exam & Class	14-100-034-5120-066	11,785.00	7/1/13	6/30/14		
Handicapped Services:						
Corrective Speech	13-100-034-5120-066	23,436.00	7/1/12	6/30/13		13,436.64
Supplementary Instruction	13-100-034-5120-066	9,020.00	7/1/12	6/30/13		4,440.92
Initial Exam & Class	13-100-034-5120-066	6,684.00	7/1/12	6/30/13		1,114.10
Annual Exam & Class	13-100-034-5120-066	2,554.00	7/1/12	6/30/13		958.00
Total N.J. Nonpublic Handicapped Services Aid:					-	19,949.66

Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Balance at June 30, 2014			Memo	
					(Accounts Receivable)	Unearned Revenue/ Interfund Payable	Due to Grantor	Budgetary Receivable June 30, 2014	Cumulative Total Expenditures
	\$ 34,635,483.25	\$ 38,341,995.00			\$ (3,706,511.75)			\$ 3,706,511.75	\$ 38,341,995.00
	2,733,174.67	3,025,665.00			(292,490.33)			292,490.33	3,025,665.00
	1,255,103.28	1,389,418.00			(134,314.72)			134,314.72	1,389,418.00
	189,458.16	209,733.00			(20,274.84)			20,274.84	209,733.00
	3,686,332.00								37,915,643.00
	292,324.00								3,006,690.00
	131,635.00								1,353,929.00
	19,694.00								1,410,229.22
-	42,943,204.36	42,966,811.00	-	-	(4,153,591.64)	-	-	4,153,591.64	86,653,302.22
	366,680.00	349,781.00			(349,781.00)				349,781.00
	366,680.00	349,781.00			(349,781.00)				366,680.00
	366,680.00	349,781.00			(349,781.00)				716,461.00
	963,442.34	1,066,545.00			(103,102.66)			103,102.66	1,066,545.00
	103,295.00								1,062,437.00
		71,304.00			(71,304.00)				71,304.00
	117,289.30								117,289.30
	1,184,026.64	1,137,849.00			(174,406.66)			103,102.66	2,317,575.30
	2,640,102.02	2,777,389.76			(137,287.74)				2,777,389.76
	322,619.37								2,953,856.09
-	2,962,721.39	2,777,389.76	-	-	(137,287.74)	-	-	-	5,731,245.85
-	47,456,632.39	47,231,830.76	-	-	(4,815,067.04)	-	-	4,256,694.30	95,418,584.37
\$ 212,804.40	749,882.30	787,033.10			(27,764.70)	\$ 203,418.30			74,228.70
(6,880.40)	23,255.40								232,544.00
(205,924.00)			\$ (0.09)						363,324.00
-	773,137.70	787,033.10	(0.09)	-	(27,764.70)	203,418.30	-	-	670,096.70
	6,472.00	5,537.58		\$ 2.44			\$ 934.42		5,537.58
-	6,472.00	5,537.58	-	2.44	-	-	934.42	-	5,386.56
	2,360.00			53.19			2,360.00		1,935.81
-	2,360.00	-	-	53.19	-	-	2,360.00	-	1,935.81
	9,110.00	9,018.90		74.80			91.10		9,018.90
-	9,110.00	9,018.90	-	74.80	-	-	91.10	-	7,405.20
	60,775.00	32,870.40					27,904.60		32,870.40
	11,438.00	3,915.50					7,522.50		3,915.50
				22,824.23					21,487.77
				10,705.78					4,078.22
-	72,213.00	36,785.90	-	33,530.01	-	-	35,427.10	-	62,351.89
	24,998.00	5,780.88		13,436.64			19,217.12		5,780.88
	9,714.00	1,040.70		4,440.92			8,673.30		1,040.70
	11,785.00	1,433.18		1,114.10			10,351.82		1,433.18
				958.00					9,999.36
									4,579.08
									5,569.90
									1,596.00
-	46,497.00	8,254.76	-	19,949.66	-	-	38,242.24	-	29,999.10

(Continued)

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
 Schedule of Expenditures of State Financial Assistance
 For the Fiscal Year Ended June 30, 2014

State Grantor/ Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2013	
			From	To	Unearned Revenue/ (Accounts Receivable)	Due to Grantor
School Based Youth Program:						
School Based Youth Program	14-100-054-7500-068	\$ 270,078.00	7/1/13	6/30/14		
School Based Youth Program	13-100-054-7500-068	274,878.00	7/1/12	6/30/13		\$ 4,898.75
Total School Based Youth Program					-	4,898.75
Total Special Revenue Fund					\$ 189,549.09	58,508.85
Capital Projects Fund:						
New Jersey School Development Authority (SDA):						
School Roofing Projects:						
High School	5820-010-09-0ZZO	1,804,646.00	06/04/10	Project End	(1,464,921.35)	
Middle School	5820-010-09-0ZXP	1,985,111.00	06/04/10	Project End	(1,125,496.91)	
High School Window Replacement	5820-010-14-G1NG	555,391.00	05/23/14	Project End		
School No. 2 Courtyard Drainage Project	5820-040-14-G1NJ	28,159.00	05/23/14	Project End		
Total Capital Projects Fund					(2,590,418.26)	-
Debt Service Fund:						
Debt Service Aid Type II	14-495-034-5120-075	1,487,114.00	7/1/13	6/30/14	-	-
Enterprise Fund:						
State School Lunch Program	14-100-010-3350-021	27,240.69	7/1/13	6/30/14		
State School Lunch Program	13-100-010-3350-021	22,752.95	7/1/12	6/30/13	(5,475.76)	
Total Enterprise Fund					(5,475.76)	-
Total State Financial Assistance subject to Major Program Determination for State Single Audit					(7,446,213.60)	58,508.85
State Financial Assistance not subject to Calculation for Major Program Determination for State Single Audit:						
General Fund (Non-Cash Assistance):						
New Jersey Department of the Treasury:						
On-behalf T.P.A.F. Pension Contributions - Normal Cost	N/A	1,532,563.00	7/1/13	6/30/14		
On-behalf T.P.A.F. Pension Contributions - Post-Retirement Medical	N/A	2,512,828.00	7/1/13	6/30/14		
Total General Fund (Non-Cash Assistance)					-	-
Total State Financial Assistance					\$ (7,446,213.60)	\$ 58,508.85

The accompanying Notes to Financial Statements and Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Balance at June 30, 2014			Memo	
					(Accounts Receivable)	Unearned Revenue/ Interfund Payable	Due to Grantor	Budgetary Receivable June 30, 2014	Cumulative Total Expenditures
	\$ 263,078.10	\$ 264,830.34	\$ 965.85	\$ 5,864.60	\$ (6,999.90)		\$ 5,247.66		\$ 264,830.34
-	263,078.10	264,830.34	965.85	5,864.60	(6,999.90)	-	5,247.66	-	269,013.40
-	1,172,867.80	1,111,460.58	965.76	59,474.70	(34,764.60)	\$ 203,418.30	82,302.52	-	533,843.74
									2,031,499.48
		447,217.64			(1,464,921.35)			\$ 1,464,921.35	1,464,921.35
					(1,125,496.91)			1,125,496.91	1,125,496.91
					(447,217.64)			447,217.64	447,217.64
-	-	447,217.64	-	-	(3,037,635.90)	-	-	3,037,635.90	3,037,635.90
-	1,487,114.00	1,487,114.00	-	-	-	-	-	-	1,487,114.00
	23,975.74	27,240.69			(3,264.95)				27,240.69
	5,475.76								22,752.95
-	29,451.50	27,240.69	-	-	(3,264.95)	-	-	-	49,993.64
-	50,146,065.69	50,304,863.67	965.76	59,474.70	(7,890,732.49)	203,418.30	82,302.52	7,294,330.20	102,024,827.39
	1,532,563.00	1,532,563.00							1,532,563.00
	2,512,828.00	2,512,828.00							2,512,828.00
-	4,045,391.00	4,045,391.00	-	-	-	-	-	-	4,045,391.00
\$ -	\$ 54,191,456.69	\$ 54,350,254.67	\$ 965.76	\$ 59,474.70	\$ (7,890,732.49)	\$ 203,418.30	\$ 82,302.52	\$ 7,294,330.20	\$ 106,070,218.39

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2014

Note 1: GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Township of Winslow School District (hereafter referred to as the "School District"). The School District is defined in note 1 to the School District'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, are included on the schedules of expenditures of federal awards and state financial assistance.

Note 2: BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using 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 bases of accounting are described in note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or 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 one or more deferred June state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the 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 one or more June state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

The net adjustment to reconcile revenues from the budgetary basis to the GAAP basis is \$(23,684.70) for the general fund and \$36,087.31 for the special revenue fund. The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is \$40,596.61 for the special revenue fund. See exhibit C-3, notes to required supplementary information, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

Note 3: RELATIONSHIP TO FINANCIAL STATEMENTS (CONT'D)

Awards and financial assistance expenditures are reported in the School District's basic financial statements on a GAAP basis as presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ 238,457.69	\$ 50,050,181.82	\$ 50,288,639.51
Special Revenue	2,623,734.02	1,114,845.52	3,738,579.54
Capital Projects		447,217.64	447,217.64
Debt Service		1,487,114.00	1,487,114.00
Food Service	1,617,332.12	27,240.67	1,644,572.79
Total Awards and Financial Assistance	<u>\$ 4,479,523.83</u>	<u>\$ 53,126,599.65</u>	<u>\$ 57,606,123.48</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: ADJUSTMENTS

Amounts reported in the column entitled "adjustments" represent favorable differences incurred in the liquidation of encumbrances charged as budgetary basis expenditures in fiscal year 2012-2013.

Note 6: REIMBURSED AND ON-BEHALF PAYMENTS

During the fiscal year ended June 30, 2014, the School District was the recipient of federal and state assistance that represented either a reimbursement to the School District or payments made on-behalf of the School District. Revenues and expenditures reported under the Federal Food Distribution Program represent the current year value received and the current year distribution, respectively, of American-grown United States Department of Agriculture foods utilized in the School District's food service program. 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 fiscal year. Lastly, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement medical costs related to TPAF members.

Note 7: MAJOR PROGRAMS

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs.

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2014

Section 2- Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards and with audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey.

None

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2014

Section 3- Schedule of Federal Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major Federal programs, as required by OMB Circular A-133.

None

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2014

Section 4- Schedule of State Financial Assistance Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major State programs, as required by OMB Circular A-133 and State of New Jersey Circular 04-04-OMB.

None

TOWNSHIP OF WINSLOW SCHOOL DISTRICT
Summary Schedule of Prior Year Audit Findings
and Questioned Costs as Prepared by Management

This section identifies the status of prior year findings related to the financial statements and Federal Awards and State Financial Assistance that are required to be reported in accordance with Government Auditing Standards, OMB Circular A-133 and State of New Jersey Circular 04-04-OMB.

None

