

KINGSWAY REGIONAL SCHOOL DISTRICT

213 Kings Highway
Woolwich, New Jersey 08085
County of Gloucester

FISCAL YEAR 2019 BUDGET SUMMARY



“Committed to Excellence”

2018-2019 Budget

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DISTRICT ADMINISTRATION

Dr. James J. Lavender, Superintendent of Schools
Jason Schimpf, Business Administrator
Patricia Calandro, Chief Academic Officer

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Introductory Section

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Executive Summary

The Kingsway Regional School District (hereinafter, the “District”) is pleased to present this document to provide a comprehensive look at the District’s budgeting philosophy and practices to create the annual spending plan for the fiscal year July 1, 2018 through June 30, 2019.

The budget is the annual financial blueprint for the effectuation of the educational plan for the District; its preparation is, therefore, one of the most important functions performed by District administration in consultation with the Board of Education. The budget is designed to carry out that plan in a thorough and efficient manner, to maintain school district facilities, and to honor its continuing obligations.

The budget was prepared in accordance with Board policy having elicited input from various stakeholders, including the Board of Education, district level administration, school administration, department chairs, faculty, staff and parents. The budget is presented in four sections: Introductory, Organizational, Financial and Informational. The introductory section includes an executive summary which presents highlights of the accompanying detail located in each of the other three sections. The organizational section provides an explanation of the District’s organization, an overview of the educational program, significant budgetary and financial challenges and describes the budget development process. The financial section includes reports that begin at a very high level followed by progressive levels of detail. The reports consist of summaries of all funds and additional levels of program, function, and object level detail. The informational section of the budget document presents statistical information including an analysis of property tax rates and the impact on the average taxpayer, as well as student enrollment history and personnel resource allocations.

Strategic Plan

The 2018-2019 district budget is the second developed under the auspices of the District’s strategic plan. The Kingsway Regional School District embarked on [Vision 2019](#), a strategic planning initiative that engaged employees, parents, students, community members, business owners, and government leaders in the future planning of our school system in the spring of 2016. This collaborative planning process resulted in a three-year plan, which will focus the district’s efforts and financial resources on mutually determined goals that support the needs of our students and the district as a whole.

Organizational Summary

At Kingsway, we take great pride in our achievements, we are passionate about the services and opportunities we provide, and we value high quality education. Our motto, *Committed to Excellence*, drives us to ensure the sound educational experience our students and community deserves. Our name is consistently echoed throughout the region as an exemplar. We have the highest high school graduation rates in the county, a high school ranked alongside other top high schools in South Jersey, a middle school that serves as model for other middle schools in the area, advanced placement offerings that have been nationally recognized by College Board, and a competitive and accomplished performing arts and athletic programs.

Despite all our accomplishments, Kingsway may be better known as one of the State’s fastest growing school districts, serving two of the fastest growing municipalities – the Townships of Woolwich and East Greenwich. As a result, Kingsway’s enrollment has increased by more than 1,405 students over the last fifteen years. Unfortunately, state aid has failed to keep pace. As you can imagine, the contradiction

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between unrelenting pupil enrollment growth and state aid reductions per pupil has placed extraordinary demands on our facilities, programs, and staff.

Throughout this same period Kingsway continued to implement cost-saving measures in an effort to reduce the tax burden while maintaining quality programs for our students. In the 2017 Taxpayers' Guide to Education Spending, the Kingsway Regional School District was ranked first out of forty-six (7-12/9-12) regional school districts throughout the state as the lowest spending in regard to budgetary per pupil costs (\$10,130). For FY 2019, Kingsway's budgetary cost per pupil is \$10,654, significantly lower than the \$15,714 state average, and markedly lower than other districts such as Monmouth County's Henry Hudson Regional, which spends more than \$20,000 per pupil.

Despite our efforts, the burden to fund our school district has consistently been shifted to our local taxpayers. Throughout the same fifteen-year period where state aid per pupil has decreased by 29%, local property taxes per pupil have increased by more than 142%, from \$3,549 in 2001 to \$8,500 in 2017. This dramatic shift of responsibility has made it increasingly difficult to preserve our quality school system.

In 2008, we had hope that a solution to our problems was found with the passage of the School Funding Reform Act (SFRA). The new funding formula guaranteed that state school aid would be distributed fairly and equitably based on a formula that took into account each town's property tax base, its ability to pay, increases and decreases in enrollment, and the special needs of children. It was a formula that finally ended New Jersey's tortured history on school funding fairness, was lauded by experts throughout the country, and according to New Jersey's Supreme Court, SFRA's design was found to meet the constitutional mandates of *Abbott v. Burke*, for all students.

As a result, Kingsway, like many other districts, received a 20 percent increase in state aid for the 2008-09 school year and consequently adopted a school budget that called for the smallest local tax increase in a decade. We were also assured by then Commissioner of Education Lucille Davy that Kingsway would be afforded 20 percent increases per year for the next five years until we were made whole. This recognition and increase in state aid would have put Kingsway on par with other communities and eased the unfair tax burden placed on our local residents who make up the difference in funding our public schools. In fact, had the Kingsway Regional School District been funded at the levels the SFRA phase-in promised, we would have levied \$32.8 million dollars less than we did in the nine years since SFRA was adopted.

In the years after SFRA was adopted, state aid promises were never fulfilled. As a result, the status quo was protected and overfunded school districts continued to benefit at the cost of those who have historically been underfunded. Districts with declining enrollments were held harmless while growth districts continued to be ignored. Consequently, Kingsway and districts like Kingsway have fallen far from the promises of a constitutionally sound, nationally recognized school funding formula.

If funded at 100% of SFRA, Kingsway Regional would receive an additional \$10.14 million of state aid in fiscal year 2019 alone. Accordingly, the district's proposed budget for FY19 falls \$8.7 million below district adequacy as calculated by the Department of Education. Simply put, Kingsway will spend nearly \$9 million below the level the State of New Jersey has determined as providing a thorough and efficient education for our students. This fact, along with the constant demands placed on our programs as a result of continued enrollment growth, has made it nearly impossible to raise standards or maintain and expand opportunities for our students. The hold harmless provision and state aid growth caps implemented through the budget, arbitrarily disregarding SFRA, has resulted in the disparate treatment of NJ students in underfunded districts.

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Financial Summary

The fiscal year 2019 operating budget (General Fund) totals \$35,781,285, which equates to an increase of \$1,012,484, or 2.91% from fiscal year 2018. The 2018-19 budget was developed with an increase of 4.69% to the general fund tax levy, and a decrease in budgeted fund balance of 7.61%, or \$101,100. The initial state aid allocation included an increase of 5.36%, or \$519,957. Anticipated tuition from other school districts, mainly Logan Township, is down 8.54%, or \$227,554.

	2017-18	2018-19	% Inc/(Dec)
Total Operating Budget	\$34,768,801	\$35,781,285	2.91%
Total Special Revenue	735,746	584,000	-(20.62%)
Total Debt Service	3,420,822	3,441,422	0.60%
Total Budget	\$38,925,369	\$39,806,707	2.26%

Personnel

Due to the nature of our industry, more than 72% of our operating budget consists of employee compensation and benefits (\$26,018,790). Compensation totals nearly 55% (\$19,825,755) of our total operating budget while employee benefits total 17% (\$6,193,035). The FY19 budget reflects a reduction of 4.0 FTE positions from FY18.

Full Time Equivalent Positions	Actual				Current FY18	Proposed FY19	Variance FY18
	FY14	FY15	FY16	FY17			
Teachers (Grades 6-8)	63.0	64.0	65.0	65.0	65.0	65.0	0.0
Teachers (Grades 9-12)	111.0	119.0	119.0	117.0	120.5	118.5	-2.0
Other Instruction	30.0	30.0	31.0	32.0	25.0	26.0	+1.0
Support Services	159.5	165.5	167.5	167.5	160.5	159.5	-1.0
Administration	13.0	13.0	14.0	14.0	14.0	12.0	-2.0
	376.5	391.5	396.5	395.5	385.0	381.0	-4.0

Personnel Needs Assessment

As the district began the process of preparing a budget for the 2018-19 school year, it was determined that a comprehensive needs assessment of district personnel would be beneficial in determining where actual staffing shortages exist and how those shortages are impacting the delivery of a thorough and efficient educational program. In order to determine where staff shortages exist, it was necessary to prepare a preliminary master schedule.

The preliminary master schedule was developed by taking into account the following set of criteria:

1. Teachers will carry a max load of five (5) teaching periods;
2. Class sizes will be capped at twenty-five (25) students, excluding physical education;
3. Max class size of seven to nine (7-9) students in self-contained and resource center classrooms;
4. Expansion of in-class support to social studies and world language classes;
5. Historical course requests (including electives) will provide roadmap for future course offerings

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6. Enrollment projections will remain consistent with historical trends and retention rate percentages for in district 8th grade students and Logan high school aged students.

Following the development of a preliminary master schedule, based upon the above criteria, we were able to identify where staffing shortages exist. Additionally, based upon historical course requests and our desire to expand our elective and academy program offerings, we were able to fully project our certificated staff needs to accommodate our incoming student population for the 2018-19 school year and beyond. The district's staff needs are detailed by building and separated by certificated faculty members and support staff.

Certificated Staff – District Summary

Below is a summary of the certificated staff needs based upon the above criteria. A more detailed location based analysis follows this chart. The partial decimals represent partial full time equivalent positions based on the number of teaching periods required by the master schedule.

Subject Area	Middle School	High School	District Total
Allied Health	+0.0	+1.0	+1.0
Art	+0.0	+0.8	+0.8
English	+4.0	+2.2	+6.2
F&C Science	+0.0	+1.0	+1.0
Mathematics	+2.0	+3.2	+5.2
Physical Education	+1.0	+3.0	+4.0
Science	+2.0	+1.4	+3.4
Social Studies	+2.0	+3.6	+5.6
Special Education	+6.0	+7.4	+13.0
Spanish	+0.0	+1.2	+1.2
Technology/Business	+0.0	+2.0	+2.0
Total	+17.0	+26.8	+43.8

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Middle School Certificated Staff Detail

The Kingsway Regional Middle School operates under the auspices of a team structure. As the middle school approaches 1,000 students, it would be necessary to add two (2) full teams of teachers in order to bring class sizes down to an average of twenty-five (25). Each team would consist of five (5) teachers. One teacher for each of the following subjects: English, literature, math, science, and social studies. An additional physical education/health teacher will also be necessary. In order to reduce our special education teachers' schedules to five (5) teaching periods, we will also need to add an additional six (6) resource teachers at the middle school for a total addition of seventeen (17) teachers.

High School Certificated Staff Detail

The below is a breakdown of the number of teachers we would need to hire right now as per the criteria listed above. Each section represents a teaching period. The number of teachers required was determined by dividing the number of sections by 5, which is our max schedule goal for our teaching staff members in the core areas.

Department	Sections needed for max class size of 25	Teachers needed so all teach max of 5 periods	Current # of Teachers	Need (+ or -)
Art	29	5.8	5	+0.8
Allied Health	10	2	1	+1.0
Business/Tech	50	10	8	+2.0
English	96	19.2	17	+2.2
F&C Science	15	3	2	+1.0
Mathematics	96	19.2	16	+3.2
Phys. Education	60 (30 avg.)	12	9	+3.0
Science	92	18.4	17	+1.4
Social Studies	83	16.6	13	+3.6
Special Ed.	132	26.4	19	+7.4
World Language	51	10.2	9	+1.2
Total	n/a	n/a	n/a	+26.8

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Support Staff Detail – Certificated and Non-Certificated

The below is a chart that highlights our current certificated and non-certificated support staff needs based upon departmental requests and industry standards that are typical in fully funded districts within the state of NJ.

Job Title	Middle School	High School	District	Total
Admin Ass't	+0.0	+0.0	+1.0	+1.0
Bilingual Aide	+0.0	+0.0	+1.0	+1.0
CST	+0.5	+1.0	+1.0	+2.5
Custodian	+1.0	+3.0	+0.0	+4.0
Instructional Supervisor	+0.0	+0.0	+2.0	+2.0
Maintenance	+0.0	+0.0	+2.0	+2.0
Paraprofessional	+3.0	+2.0	+0.0	+5.0
Secretary	+1.0	+2.0	+0.0	+3.0
Security Aide	+0.0	+2.0	+0.0	+2.0
Total	+5.5	+10.0	+7.0	+22.5

Appropriation Highlights

Instruction

Appropriations classified as instructional are defined as activities involving the interaction between teachers and students. Appropriations related to direct classroom instruction make up the largest portion of our tentative budget.

- **Textbooks.** The tentative budget includes an appropriation of \$306,120 for the purchase of textbooks. Textbooks will be purchased across several subject areas at each school including language arts, mathematics, science, social studies, health, world language, and business.
- **Instructional supplies.** The budget also includes an appropriation of \$610,000 for classroom supplies, instructional technology, and student desks. Over 340,655 has been appropriated toward classroom technology replacements and upgrades.

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Support Services

Support services provide technical (such as health, guidance and child study team, transportation, custodial, etc.) and logistical support to facilitate and enhance instruction. These services exist at all school as adjuncts for fulfilling the objectives of instruction.

- **Student Transportation.** The proposed transportation budget totals \$3,054,311 for 2018-19, which equates to an increase of nearly ten percent (10%). This attributed to the need to add an additional two (2) to/from school routes due to overcrowding and an additional GCIT run. We continue to offset more than fifty percent (50%) of our transportation operating expenditures due to our shared service agreements with the local elementary districts and Clearview Regional.

Employee Benefits

Employee benefits account for approximately \$6.2 million, or seventeen percent (17%) of our tentative operating budget. Employee benefits are detailed between health insurance, social security contributions, employer portion of PERS retirement, unemployment, workmen's compensation insurance, tuition reimbursement, and the payment of unused sick leave time at retirement.

- **Health Insurance.** As a member of the School Health Insurance Fund, our major medical plan premiums will increase by 6.67% for the period July 1 through June 30. Prescription premiums are anticipated to increase by 10% and dental will not increase for the same period.

Capital Outlay

The proposed 2018-19 budget includes a capital outlay appropriation of \$929,287, a majority of which is funded through the use of surplus from the 2016-17 fiscal year. It's important to note that the excess surplus is being used for non-recurring type expenditures.

- **Equipment.** The proposed budget includes the purchase of replacement equipment and additional equipment. The budget includes the purchase of five (5) 54-passenger replacement school buses, a replacement 72" zero-turn mower, replacement soccer goals, and some classroom technology.
- **Campus/Building Security.** The tentative budget for 2018-19 also includes an appropriation of \$250,000 for various building security upgrades. The specific upgrades are still under discussion and will include various upgrades throughout each of the district buildings.

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Informational Summary

Kingsway Regional continues to contend with the effects of significant and rapid enrollment increases that occurred over the last decade. Although enrollment increases were largely the result of a booming housing market in our region, the elementary students who arrived in one of our sending districts continue to advance toward Kingsway. Thus, enrollment increases will continue despite fewer housing starts when compared to the peak in 2008.

By September 2018, the middle school can expect an enrollment increase of nearly 1.4% to 981 7th and 8th grade students. The high school anticipates an increase of 1.81% to 1,792 9th to 12th grade students for the 2018-2019 school year. In total, enrollment is expected to increase by 46 students, or 1.7%

Enrollment Projections

	Actual FY '18	Projected FY '19	Percentage Inc/Dec
7 th	490	494	+4
8 th	480	490	+10
Sub Total (MS)	970	984	1.44%
9 th	438	471	+33
10 th	455	438	-17
11 th	427	455	+28
12 th	439	427	-12
Sub Total (HS)	1,759	1,791	1.81%
District Total	2,729	2,775	1.68%

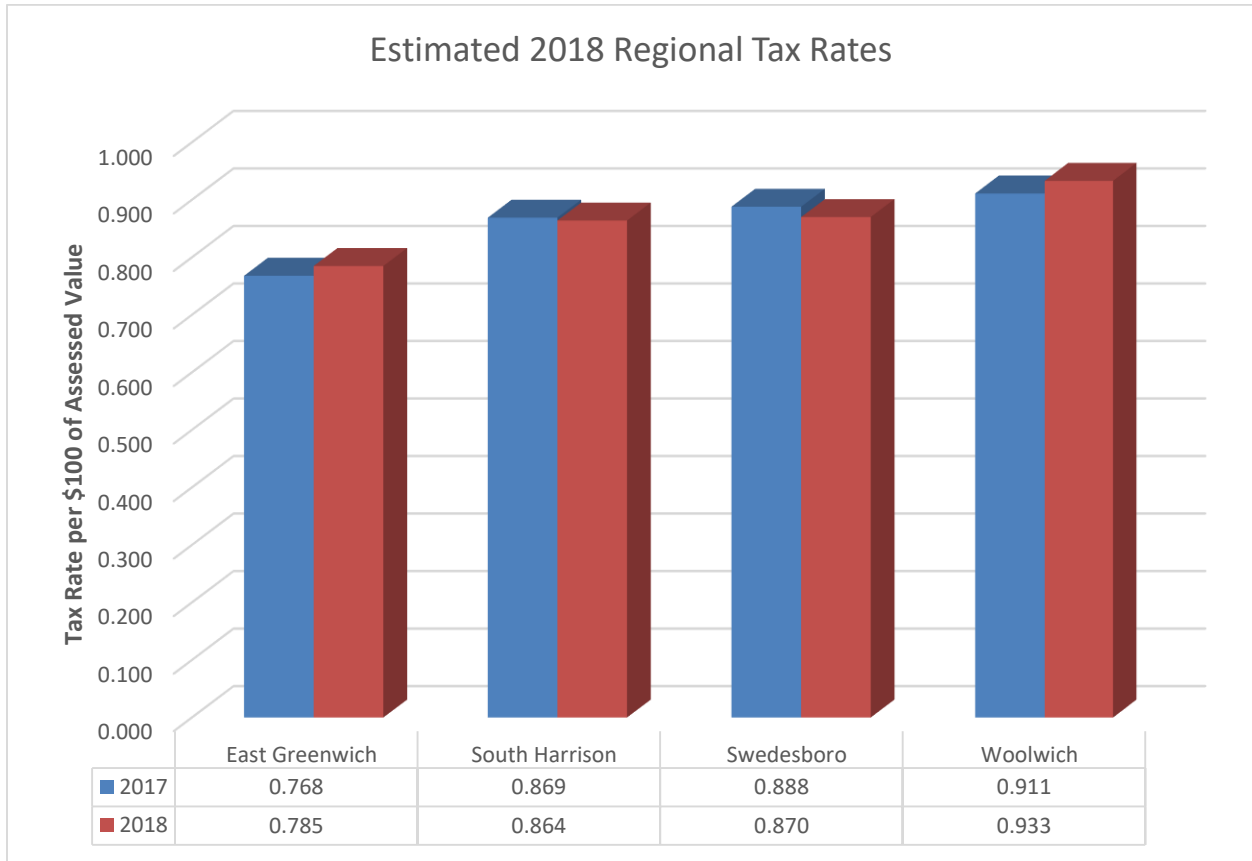
9th Grade Enrollment Calculation

	Current 8 th Grade Students	Regional Loss Rate 15%	Logan Twp. Capture Rate 72%	Projected 9 th Grade Enrollment
	480	(72)	63	471

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Property Taxes

The FY19 general fund is tentatively supported by \$21,597,639 in local property taxes. This represents an increase of \$967,087 or 4.69%. The district has chosen to utilize a health benefits premium cap waiver in the amount of \$222,230 in FY19 as well as \$332,246 in “banked” cap from 2017-18.



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Tax Rate by Municipality

Municipality	% Share	Levy	Proposed Tax Rate	Current Tax Rate	\$ Change	% Change
East Greenwich	35.1969489	\$8,436,004	0.785	0.768	0.017	2.21%
South Harrison	13.6865761	\$3,312,508	0.864	0.869	(0.005)	(0.57%)
Swedesboro	6.1569789	\$1,503,792	0.870	0.888	(0.018)	(2.03%)
Woolwich	<u>44.9594961</u>	<u>\$10,729,606</u>	0.933	0.911	0.022	2.41%
	100.0000000	\$23,981,910				

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Organizational Section

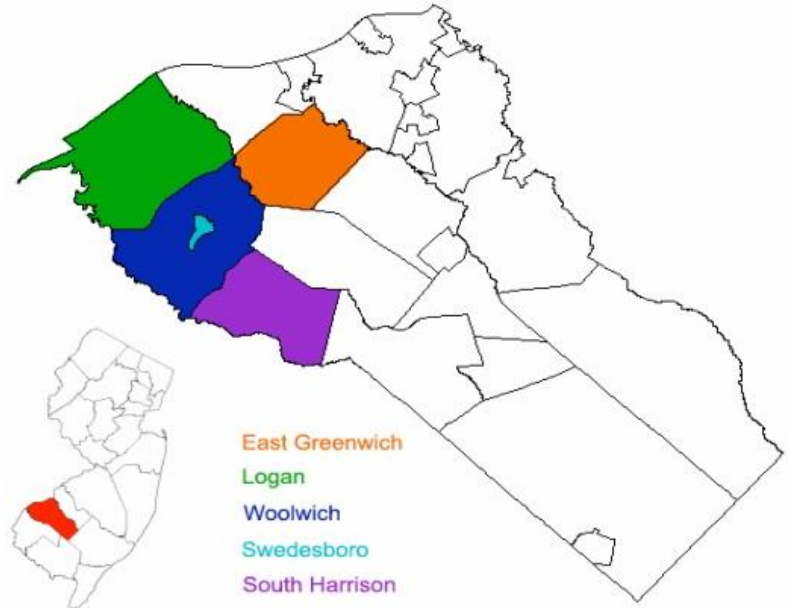
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School District Organization

The Kingsway Regional School District is one of twenty-nine (29) public school districts within Gloucester County. The District provides a full range of educational services appropriate to grade levels 7 through 12. An elected nine-member Board of Education (“Board”), along with a representative from the Logan Township School District, serves as the policy making entity for the School District.

Geographically, the District is situated in predominately rural/suburban areas, with nearly 29,000 people residing within its 52 square mile border.

The District includes the Borough of Swedesboro and the Townships of South Harrison, East Greenwich, and Woolwich. Though not part of the District, high school aged students from Logan Township attend Kingsway Regional High School through a send/receive relationship as paid tuition students.



About Kingsway

Kingsway Regional is a limited purpose regional school district that offers its students a rigorous academic program and myriad of enrichment programs and services for students in grades 7-12.

Kingsway Regional Middle and High Schools cater to the individual needs of our students and promote opportunities for students to pursue their own areas of interest. Our population of nearly 2,800 students is multicultural and reflects the diversity of the communities it serves.

Overview of Instructional Program

Math (New Jersey Student Learning Standards)

Throughout the school year, teachers will work within their PLTs to revise and align the curricula and local assessments to the NJSLS. In continued support for this work, teachers will engage in professional learning related to differentiated instruction, assessment literacy, implementing the NJSLS, and the use of data to drive instruction as outlined in our professional development plans. The district will bring on AP Statistics next year and will purchase Big Ideas for Algebra I and II. If additional funding is provided to Kingsway that would allow enhancements to the current curriculum, the following will be added: adequate supplies/resources for teachers to support instruction in the classroom, including but not limited to Chromebooks, iXL to assist with individualize and targeted practice to close skill deficits, and TI-84 calculators to support the application of math and use of graphing calculators to support instruction. Acceptable funding would support the implementation of PSAT testing as another data set to assist with identifying student gaps and appropriately attend to them through the curriculum and additional teachers.

Science (New Jersey Student Learning Standards)

Throughout the school year, teachers will work within their PLTs to revise and align the curricula and local assessments to the NJSLS. In continued support for this work, teachers will engage in professional

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learning related to differentiated instruction, assessment literacy, implementing the NJSLS, and the use of data to drive instruction as outlined in our professional development plans. The district will continue to enhance instruction through the purchase of Gizmos, AP Bio texts, and Project Lead the Way's Engineering curriculum and professional development supports. If additional funding is provided to Kingsway that would allow enhancements to the current curriculum, the following will be added: adequate supplies/resources for teachers to support instruction in the classroom, including but not limited to Chromebooks and additional teachers.

Language Arts Literacy - (New Jersey Student Learning Standards)

Throughout the school year, teachers will work within their PLTs to revise and align the curricula and local assessments to the NJSLS. In continued support for this work, teachers will engage in professional learning related to differentiated instruction, assessment literacy, implementing the NJSLS, and the use of data to drive instruction as outlined in our professional development plans. The district continues to work to integrate writing across the curriculum as well as choice in reading to supplement the curriculum. My Perspective Texts will be purchased at the 7&8th grade levels. If additional funding is provided to Kingsway that would allow enhancements to the current curriculum, the following will be added: adequate supplies/resources for teachers to support instruction in the classroom, including but not limited to Chromebooks, supplemental novels, and high-interest supplement reading through subscriptions. Acceptable funding would support the implementation of PSAT testing as another data set to assist with identifying student gaps and appropriately attend to them through the curriculum and additional teachers.

Social Studies - (New Jersey Student Learning Standards)

Throughout the school year, teachers will work within their PLTs to revise and align the curricula and local assessments to the NJSLS. In continued support for this work, teachers will engage in professional learning related to differentiated instruction, assessment literacy, implementing the NJSLS, and the use of data to drive instruction as outlined in our professional development plans. The district will bring on AP World History and AP Economics next year and will purchase corresponding texts. Texts will also be purchased in AP Gov, AP Psych., AP USI/II, and Social Studies 7&8. If additional funding is provided to Kingsway that would allow enhancements to the current curriculum, the following will be added: adequate supplies/resources for teachers to support instruction in the classroom, including but not limited to Chromebooks, additional subscription-based supplemental materials, and additional teachers.

21st Century Life and Careers - (New Jersey Student Learning Standards)

Throughout the school year, teachers will work within their PLTs to revise and align the curricula and local assessments to the NJSLS. In continued support for this work, teachers will engage in professional learning related to differentiated instruction, assessment literacy, implementing the NJSLS, and the use of data to drive instruction as outlined in our professional development plans. The district will bring on the following courses to expand our programs of studies in this area: *Honors Business Law and Ethics*, *Honors Principals of Marketing*, *a summer BLA seminar*, *Global Foods*, *Food and Nutrition*, and *the Art of Baking*. If additional funding is provided to Kingsway that would allow enhancements to the current courses of study, the following will be added: adequate supplies/resources for teachers to support instruction in the classroom, including but not limited to Chromebooks, open enrollment for all students in DECA, additional supplemental materials, and additional teachers.

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World Language - (New Jersey Student Learning Standards)

Throughout the school year, teachers will work within their PLTs to revise and align the curricula and local assessments to the NJSLS. In continued support for this work, teachers will engage in professional learning related to differentiated instruction, assessment literacy, implementing the NJSLS, and the use of data to drive instruction as outlined in our professional development plans. The district will spend the 18-19SY working to enhance the WL course sequencing, so money will be spent to support the professional development of teachers. If additional funding is provided to Kingsway that would allow enhancements to the current courses of study, the following will be added: adequate supplies/resources for teachers to support instruction in the classroom, including but not limited to Chromebooks, the STAMP exam, and additional subscription-based supplemental materials.

Visual and Performing Arts - (New Jersey Student Learning Standards)

The district will be adding the following courses aligned to the NJSLS to the V&P arts program of study: *Music Technology, Cartooning and Animation, and Digital Design and Illustration I&II*. Money will support the effective implementation of these, including the purchase of Smart Music Software Subscription. If additional funding is provided to Kingsway that would allow enhancements to V&P Arts, the summer of 2018 will be spent updating and finalizing all V&P Arts courses of study 7-12 within the district to ensure proper alignment to NJSLS and National Standards. Money would also be spent to purchase online programs that would enhance the Cartooning and Animation curriculum – Toon Boom Harmony Software as well as additional Chromebooks.

Comprehensive Health & P.E. - (New Jersey Student Learning Standards)

Throughout the school year, teachers will work within their PLTs to revise and align the curricula and local assessments to the NJSLS. In continued support for this work, teachers will engage in professional learning related to differentiated instruction, assessment literacy, implementing the NJSLS, and the use of data to drive instruction as outlined in our professional development plans. The district will spend the 18-19SY working to enhance integrate SEL into the PE & Health courses, so money will be spent to support the professional development of teachers. If additional funding is provided to Kingsway that would allow enhancements to the current courses of study, the following will be added: adequate supplies/resources for teachers to support instruction in the classroom, including but not limited to health textbooks, Chromebooks, various pieces of equipment for our health and exercise science courses, and an additional teacher for our Allied Health program of study at the high school and PE and health department.

Technology- (New Jersey Student Learning Standards)

There continues to be a focus on technology integration into all curriculum and instruction through staff development to enhance student learning and engagement using the SAMR method. Money will be spent to purchase Fundamentals of Python resource as well as invitation to computer science. If additional funding is provided to Kingsway that would allow enhancements to the current courses of study, the following will be added: adequate supplies/resources for teachers to support instruction in the classroom, including but not limited to Chromebooks, computer science professional development for educators, and additional teachers for our technology program of study.

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Significant Challenges

State Aid

The Kingsway Regional School District remains committed to providing challenging educational programs as well as comparable extra-curricular and athletic program offerings that prepare students for college and career upon graduation. Despite budgetary constraints due to a rapidly growing student population, the district has managed to expand and maintain student opportunities while securing the safety of both its students and staff members. Kingsway has managed these significant enrollment increases, year after year, without the benefit of corresponding state aid increases that reflect our growth. As a result, the financial support of our schools continues to be disproportionately placed on the homeowners within our region. Kingsway will receive only 49% of the total state aid in which we are entitled via the state of New Jersey's school funding formula (SFRA).

If funded at 100% of SFRA, Kingsway would receive an additional \$10.14 million of state aid in fiscal year 2019 alone. Accordingly, the district's proposed budget for FY19 falls \$8.7 million below district adequacy as calculated by the Department of Education. Simply put, Kingsway will spend nearly \$9 million below the level the State of New Jersey has determined as providing a thorough and efficient education for our students. This fact, along with the constant demands placed on our programs as a result of continued enrollment growth, has made it nearly impossible to raise standards or maintain and expand opportunities for our students.

Budgetary Challenge

Each year the district faces a significant challenge in preparing a balanced budget due to continued extreme shortages in state aid and a 2% cap on the local tax levy. Simply put, we cannot add enough additional revenue each year to cover the increase in costs of maintaining current staff levels and discretionary spending. We faced another significant deficit in FY19 even with a small increase in state aid.

Employee Compensation. Based on existing collective bargaining agreements with our staff, compensation on current employees is estimated to increase by approximately \$600,000. This figure includes employee base pay and does not include the cost of substitutes, overtime, or schedule B assignments. Our current collective bargaining agreements expire on June 30 of this year. Therefore, salary increases are based on estimates.

Health Benefits. Employee medical benefit premiums will increase by 6.67%, or roughly \$275,000. Our prescription premium is estimated to increase by 10%, or approximately \$100,000. Our dental premium will not increase in FY19. These increases are inclusive of the employee portion of the premium.

Discretionary Spending. Employee benefits and compensation makes up nearly 72% of our operating budget. That leaves approximately \$10,000,000 for everything else. (i.e. utility costs, building maintenance, insurance, athletics, student transportation, etc.) A 2% increase on these items creates an additional \$200,000.

Spending Summary. Based on the above, it will cost an additional \$1,175,000 to maintain current staff levels and discretionary spending. Essentially, no change in the operation. The only difference would be the operating cost of doing business in FY19 versus the cost of providing those same services in FY18.

2018-2019 Budget

Revenue. School districts in NJ are bound by a 2% cap on the general fund tax levy. A 2% increase on the tax levy would create an additional \$412,000. As highlighted above, initial state aid figures include an increase of \$480,000.

Structural Deficit Explained. As demonstrated above, the district cannot raise enough additional revenue in FY19 to cover the increased costs of maintaining current staff levels. This forces the district to make painful cuts to staff and discretionary spending line items. The extreme shortage in state aid (\$10.1 million annually) combined with a 2% cap on the tax levy and increasing enrollments forces the district to cut staff at time where we need to be adding staff.

2018-2019 Budget

Financial Section

2018-2019 Budget

Basis of Accounting

Fund Accounting

The accounts of the Kingsway Regional School District are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The annual budget consists of governmental funds that are grouped into the following four (4) fund types:

General Fund. The general fund is the general operating fund of the Kingsway Regional School District and is used to account for all financial resources except those required to be accounted for in another fund. Expenditures included here would be regular program instruction costs and the administrative and other support services costs related to the District's daily operations.

As required by the New Jersey Department of Education, the Kingsway Regional School District includes budgeted capital outlay in this fund. Generally accepted accounting principles (GAAP) as they pertain to governmental entities state that general fund resources 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. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment.

Special Revenue Fund. The special revenue fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. An example of special revenue funds would include federal grants-in-aid such as No Child Left Behind.

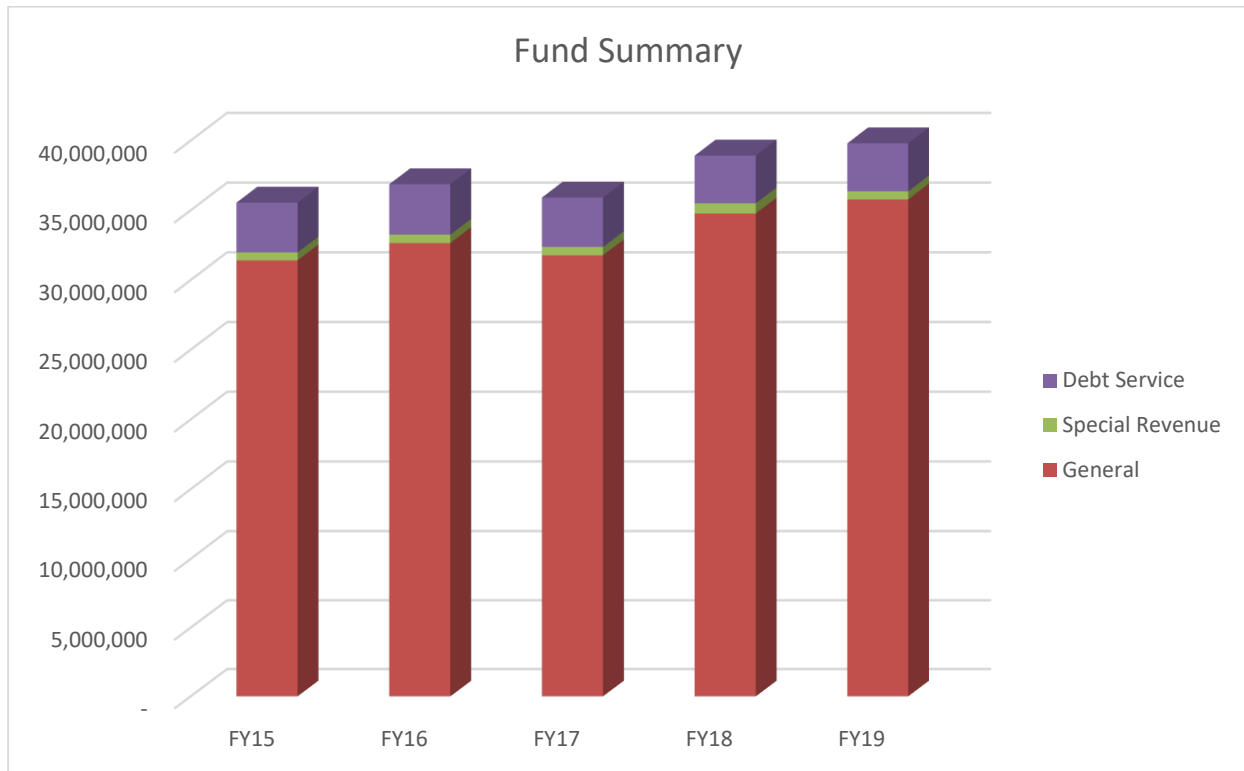
Capital Projects Fund. Accounts for resources used to acquire or construct major capital facilities. The source of revenue in this fund would be the sale of bonds, grants, or transfer from a capital reserve account. Separate accounting is used for each capital project within the capital projects fund.

Debt Service Fund. Accounts for the accumulation of resources for, and the payment of, long-term debt including principal and interest on bonds issued to finance major property acquisition and construction.

2018-2019 Budget

Revenue Summary by Fund

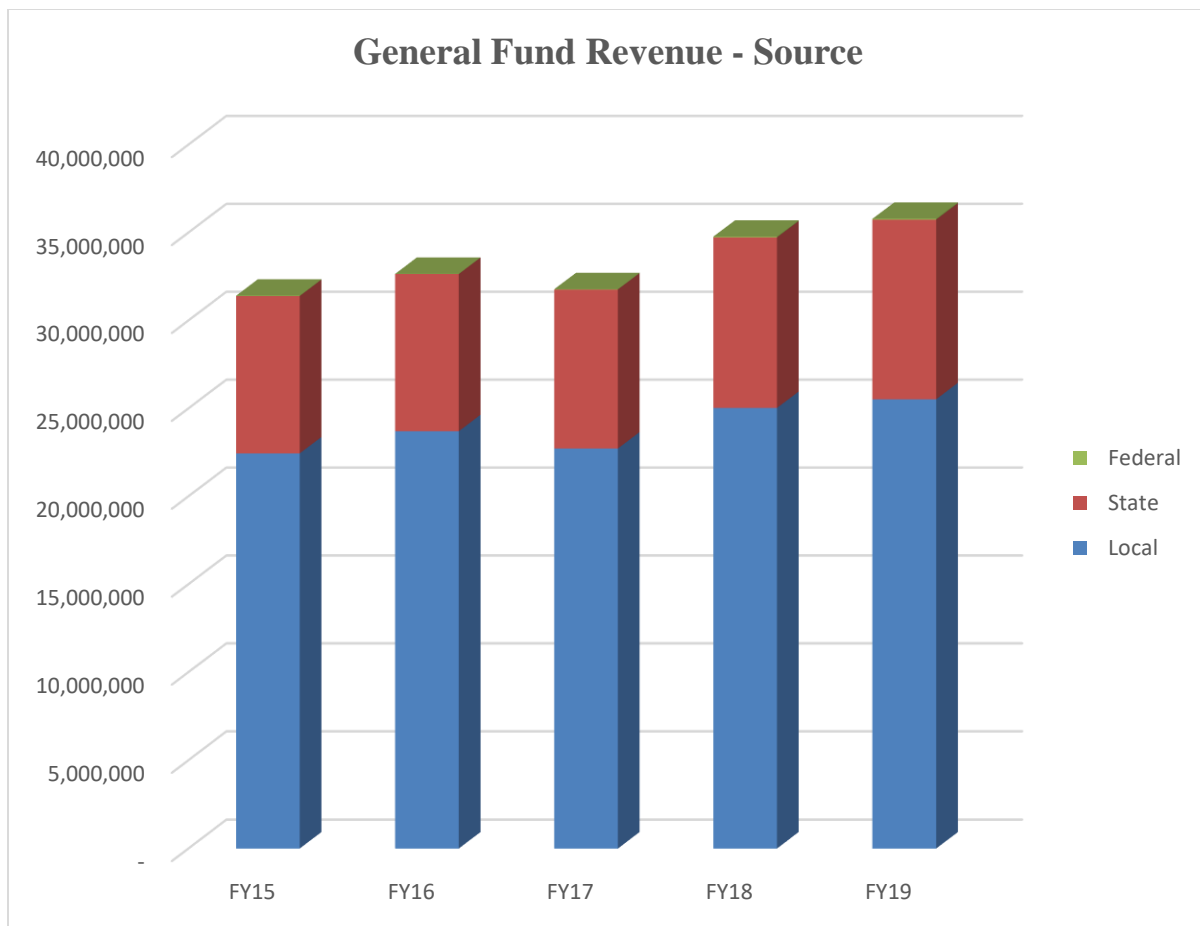
	Actual			Revised FY18	Proposed FY19
	FY15	FY16	FY17		
General	31,410,677	32,654,334	31,777,270	34,768,801	35,781,285
Special Revenue	571,165	598,886	595,973	735,746	584,000
Debt Service	3,572,255	3,613,915	3,544,616	3,420,822	3,441,422
	35,554,097	36,867,135	35,917,859	38,925,369	39,806,707



2018-2019 Budget

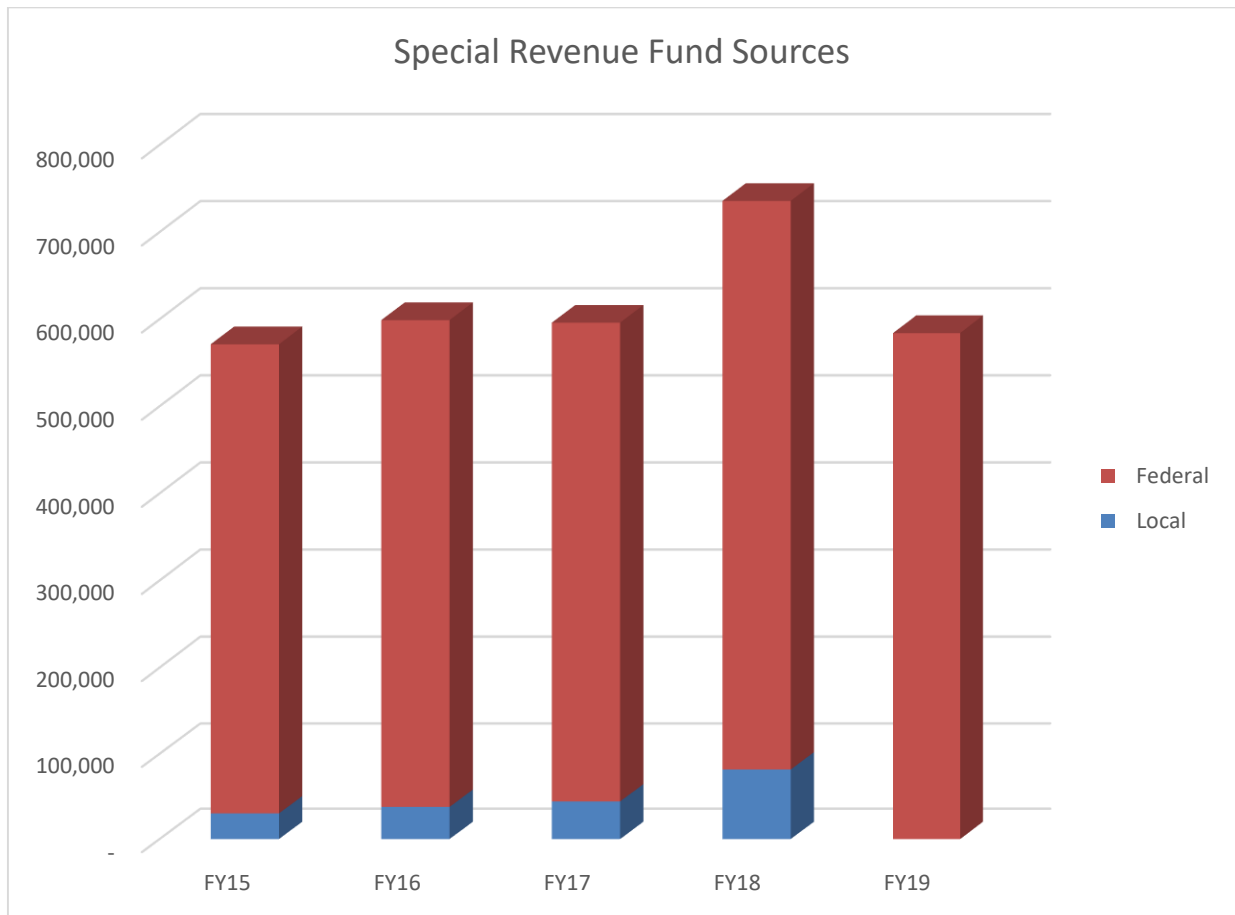
Sources of Revenue by Fund – Actual and Proposed

General Fund	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Local	22,442,880	23,703,834	22,721,107	25,026,909	25,519,871
State	8,950,073	8,940,318	9,041,359	9,699,143	10,219,100
Federal	17,724	10,182	14,804	42,749	42,314
Total	31,410,677	32,654,334	31,777,270	34,768,801	35,781,285



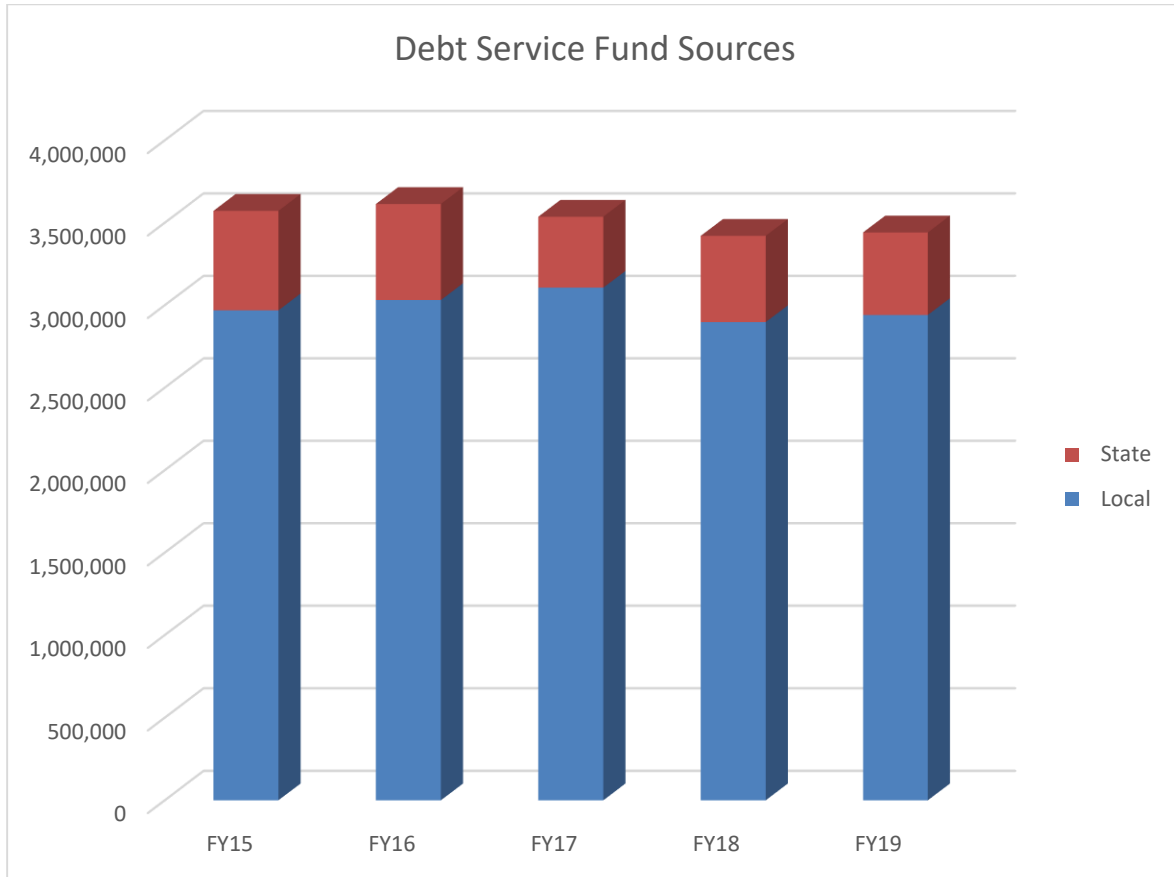
2018-2019 Budget

Special Revenue Fund	Actual			Revised FY18	Proposed FY19
	FY15	FY16	FY17		
Local	30,066	37,659	44,109	81,577	-
Federal	541,099	561,227	551,864	654,169	584,000
Total	571,165	598,886	595,973	735,746	584,000



2018-2019 Budget

Debt Service Fund	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Local	2,969,205	3,031,482	3,106,510	2,897,958	2,940,930
State	603,050	582,433	430,348	522,864	500,492
Total	3,572,255	3,613,915	3,536,858	3,420,822	3,441,422



2018-2019 Budget

Revenue Detail by Source – Actual and Proposed

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
General Fund					
Local Sources					
Local Tax Levy	18,400,237	19,605,356	20,226,031	20,630,552	21,597,639
Fund Balance				1,328,350	1,227,250
Tuition	3,341,849	2,931,041	2,652,264	2,664,536	2,436,982
Miscellaneous	273,429	311,506	389,075	322,709	258,000
Total Local Sources	22,015,515	22,847,903	23,267,370	24,946,147	25,519,871
State Sources					
Transportation Aid	255,495	255,495	293,272	293,272	1,518,262
Extraordinary Aid	169,609	160,867	144,531	100,000	120,000
Special Education Aid	1,121,086	1,121,086	1,152,423	1,152,423	1,460,211
Under Adequacy Aid	133,057	133,057	133,057	133,057	
Equalization Aid	6,107,281	6,107,281	6,135,572	6,867,815	6,867,815
Security Aid	158,030	158,030	160,339	160,339	232,812
Supplemental Enrollment Growth Aid	921,670	921,670	921,670	921,670	
Non-Public Transportation Aid	38,085	37,072	29,928	-	20,000
PARCC Readiness Aid	22,880	22,880	22,880	22,880	
Per Pupil Growth Aid	22,880	22,880	22,880	22,880	
Professional Learning Community Aid	-	-	24,530	24,530	
Host District Support Aid	-	-	277	277	
Total State Sources	8,950,073	8,940,318	9,041,359	9,699,143	10,219,100
Federal Sources					
Medicaid Reimbursement	17,724	10,182	14,804	42,749	42,314
Total Federal Sources	17,724	10,182	14,804	42,749	42,314
Transfers from Other Funds	94,804	178,382	5,407	37,689	
Other Financing Sources					
Prior Year Encumbrances				43,073	
Actual Revenues (Over)/Under Expenditures	332,561	677,549	(551,670)		
Total General Fund	31,410,677	32,654,334	31,777,270	34,768,801	35,781,285

2018-2019 Budget

Special Revenue	Actual			Revised FY18	Proposed FY19
	FY15	FY16	FY17		
Local Sources					
Miscellaneous	30,066	37,659	44,109	81,577	-
Total Local Sources	30,066	37,659	44,109	81,577	-
Federal Sources					
Title I	105,858	101,415	101,569	153,109	105,000
Title II	19,129	15,499	19,157	44,343	29,000
Title III			2,475	3,300	-
Title IV			-	10,000	10,000
I.D.E.A. Part B	416,112	444,313	428,663	443,417	440,000
Total Federal Sources	541,099	561,227	551,864	654,169	584,000
Total Special Revenue Fund	571,165	598,886	595,973	735,746	584,000

2018-2019 Budget

Debt Service	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Local Sources					
Local Tax Levy	3,024,851	3,031,482	2,993,976	2,896,054	2,839,575
Miscellaneous	8,209	1,904	112,534	-	-
Budgeted Fund Balance				1,904	101,355
Total Local Sources	3,033,060	3,033,386	3,106,510	2,897,958	2,940,930
State Sources					
Debt Service Aid Type II	603,050	582,433	430,348	522,864	500,492
Total State Sources	603,050	582,433	430,348	522,864	500,492
Actual Revenues (Over)/Under Expenditures	(63,855)	(1,904)	7,758	-	-
Total Debt Service Fund	3,572,255	3,613,915	3,544,616	3,420,822	3,441,422

2018-2019 Budget

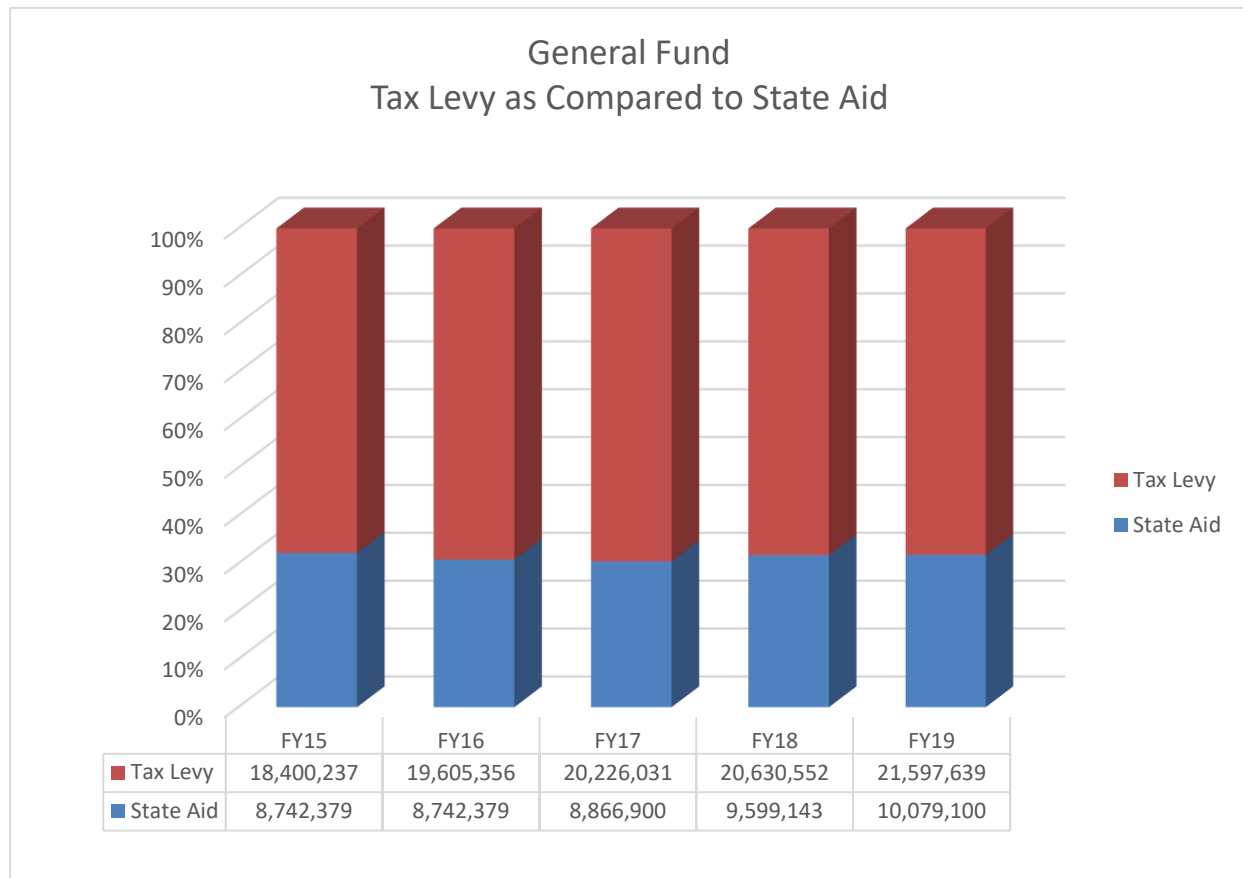
State Aid Analysis

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Equalized Aid	6,107,281	6,107,281	6,135,572	6,867,815	6,867,815
Transportation Aid	255,495	255,495	293,272	293,272	1,518,262
Special Education Aid	1,121,086	1,121,086	1,152,423	1,152,423	1,460,211
Security Aid	158,030	158,030	160,339	160,339	232,812
Supplemental Enrollment Growth Aid	921,670	921,670	921,670	921,670	
Under Adequacy Aid	133,057	133,057	133,057	133,057	
PARCC Readiness Aid	22,880	22,880	22,880	22,880	
Per Pupil Growth Aid	22,880	22,880	22,880	22,880	
Professional Learning Community Aid			24,530	24,530	
Host District Support Aid			277	277	
Total Aid	8,742,379	8,742,379	8,866,900	9,599,143	10,079,100
One Year Aid Change	45,760	-	124,521	732,243	479,957
% Aid Change from Prior Year	0.5%	0.0%	1.4%	8.3%	5.0%
% Aid Change since FY09 (SFRA)	14.6%	14.6%	16.3%	25.9%	32.2%
Adequacy Budget	33,122,435	34,756,029	34,980,957	36,344,843	37,179,739
District Spending	24,507,519	25,712,637	26,361,603	26,766,124	28,465,454
Above/(Below) Adequacy	(8,614,916)	(9,043,392)	(8,619,354)	(9,578,719)	(8,714,285)
Total SFRA Due to District	18,450,757	18,535,603	19,476,369	20,069,440	20,222,609
Variance from Actual	9,708,378	9,793,224	10,609,469	10,470,297	10,143,509
% of Actual versus Due	47.4%	47.2%	45.5%	47.8%	49.8%
Local General Fund Tax Levy	18,400,237	19,605,356	20,226,031	20,630,552	21,597,639
One Year Change	968,467	1,205,119	620,675	404,521	967,087
% Levy Change	5.6%	6.5%	3.2%	2.0%	4.7%
% Change FY14	5.6%	12.5%	16.0%	18.4%	23.9%
Resident Enrollment	2,204	2,302	2,352	2,443	2,487
One Year Change	103	98	51	91	44
% Change over prior year	4.9%	4.4%	2.2%	3.9%	1.8%
% Change since FY09 (SFRA)	29.5%	35.3%	38.2%	43.6%	46.2%

2018-2019 Budget

Tax Levy as Compared to State Aid

General Fund	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
State Aid	8,742,379	8,742,379	8,866,900	9,599,143	10,079,100
Tax Levy	18,400,237	19,605,356	20,226,031	20,630,552	21,597,639
	27,142,616	28,347,735	29,092,931	30,229,695	31,676,739
	32%	31%	30%	32%	32%
	68%	69%	70%	68%	68%



2018-2019 Budget

General Fund Appropriations – By Program/Function

General Fund	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Regular Programs	9,187,438	9,331,660	9,553,432	9,979,854	10,762,518
Special Education - Behavioral Disabilities	69,765	72,185	75,027	-	-
Special Education - Multiple Disabilities	310,475	413,485	329,498	360,783	319,802
Special Education - Resource Room/Resource Center	1,881,586	1,821,833	1,968,229	2,166,386	2,078,600
Special Education - Home Instruction	14,101	24,964	14,923	14,800	16,400
Basic Skills/Remedial	5,352	738	881	2,296	5,625
Bilingual Education	-	-	-	53,000	53,400
School-Sponsored Extra Curricular Activities	161,259	167,509	159,981	167,429	228,200
School-Sponsored Athletics	770,257	761,511	860,483	925,710	883,791
Before/After School Programs	11,691	6,534	4,894	3,565	15,000
Alternative Education Program	132,651	127,380	110,671	-	-
Undistributed Instruction (Tuition)	1,939,788	2,060,413	1,896,551	2,225,454	2,225,165
Attendance	74,041	80,209	70,556	76,963	79,400
Health Services	263,364	278,791	256,928	287,988	293,700
Speech/OT/PT and Related Services	112,534	114,181	110,744	173,961	218,850
Extraordinary Services	286,899	331,704	352,566	365,710	351,550
Guidance	739,330	758,751	785,466	804,603	820,021
Child Study Team	519,236	502,324	524,816	545,319	592,495
Improvement of Instruction Services	477,308	553,413	573,196	453,302	407,756
Educational Media Services/Library	241,280	242,387	250,957	229,452	189,053
Instructional Staff Training Services	79,306	93,006	89,645	78,888	120,430
General Administration	610,131	617,914	594,294	545,768	527,917
School Administration	1,526,072	1,569,181	1,497,752	1,631,226	1,445,680
Central Services	362,551	490,367	495,402	409,615	417,219
Administrative Information Technology	403,217	383,364	314,145	407,779	527,700
Required Maintenance for School Facilities	470,241	411,048	381,520	363,782	376,300
Custodial Services	2,041,897	2,030,964	1,986,624	2,119,352	2,172,630
Care and Upkeep of Grounds	185,678	269,135	283,888	316,538	343,600
Security	-	150,127	71,778	124,843	112,400
Student Transportation Services	2,694,444	2,930,429	2,498,207	2,788,003	3,054,311
Personal Services - Allocated Employee Benefits	5,145,365	5,230,633	5,436,775	-	18,450
Personal Services - Unallocated Employee Benefits	62,365	83,956	63,286	5,891,457	6,193,035
Equipment	82,724	106,825	38,585	748,470	812,550
Facilities Acquisition and Construction Services	548,331	637,413	116,737	221,387	116,737
Increase in Capital Reserve	-	-	-	281,385	1,000
Charter Schools	-	-	8,833	3,733	-
	31,410,677	32,654,334	31,777,270	34,768,801	35,781,285

2018-2019 Budget

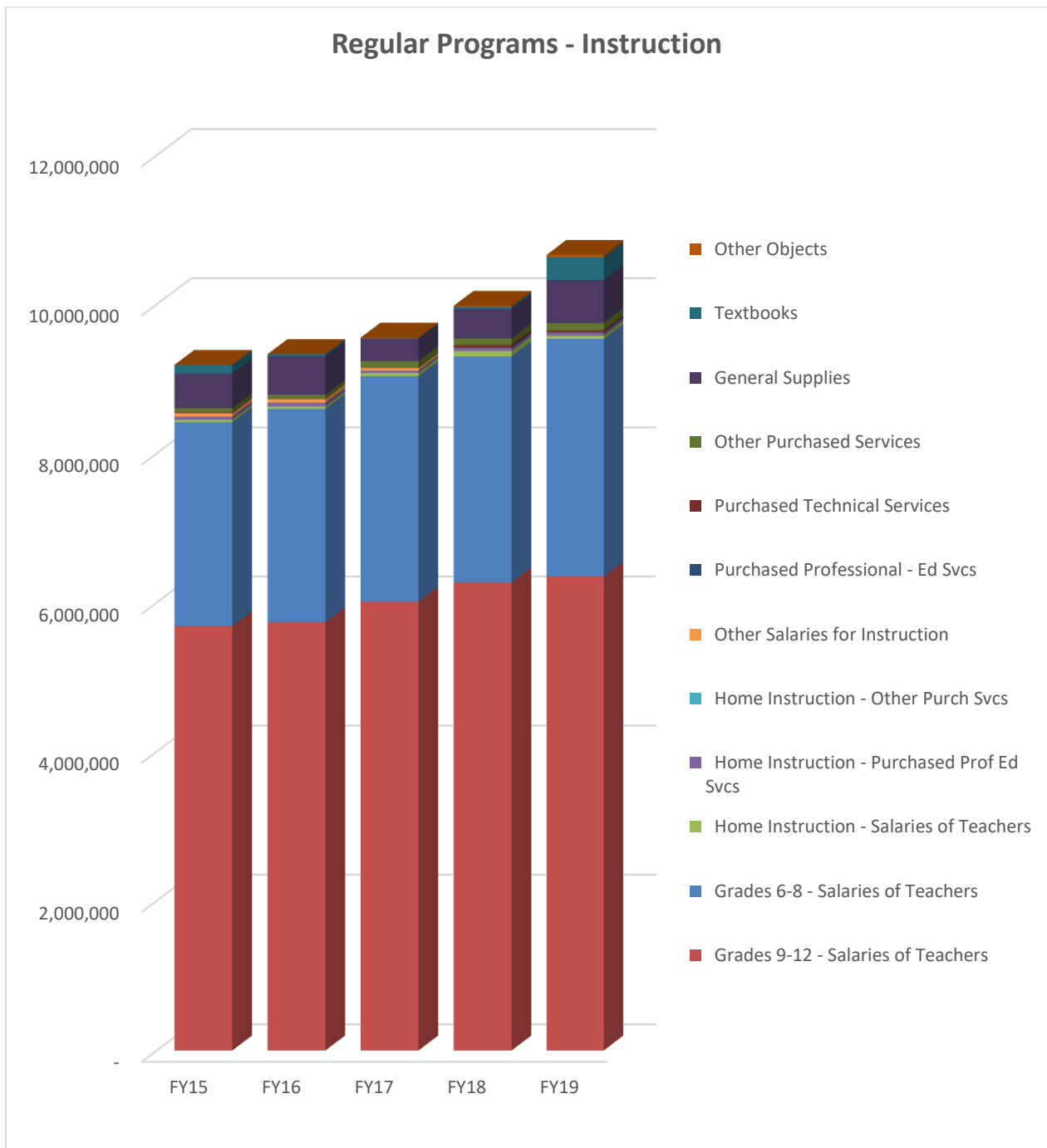
General Fund Appropriations by Program/Function at Object Level

Regular Programs - Instruction

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Grades 6-8 - Salaries of Teachers	2,731,631	2,860,486	3,024,213	3,032,348	3,186,300
Grades 9-12 - Salaries of Teachers	5,684,956	5,736,044	6,012,231	6,269,835	6,348,935
Home Instruction - Salaries of Teachers	34,131	33,002	41,442	70,885	41,064
Home Instruction - Purchased Prof Ed Svcs	41,595	50,306	31,122	37,486	40,000
Home Instruction - Other Purch Svcs	1,750	1,580	1,460	1,500	1,500
Other Salaries for Instruction	44,425	45,929	35,960	106	-
Purchased Professional - Ed Svcs	2,395	-	507	6,509	149
Purchased Technical Services	9,233	2,860	2,923	35,000	31,200
Other Purchased Services	56,979	56,567	87,430	87,605	99,871
General Supplies	460,133	516,155	298,228	394,994	577,402
Textbooks	119,600	28,140	13,402	30,266	306,120
Other Objects	610	591	4,514	13,320	29,977
	<u>9,187,438</u>	<u>9,331,660</u>	<u>9,553,432</u>	<u>9,979,854</u>	<u>10,662,518</u>

Regular Programs - Instruction (11-1XX-100-XXX) is used to record direct classroom instruction costs for regular education programs. A program is considered regular education when its classes contain only regular education pupils, including mainstreamed special education pupils.

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Special Education - Instruction

Special Education by Program

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Behavioral Disabilities	69,765	72,185	75,027	-	-
Multiple Disabilities	310,475	413,485	329,498	360,783	319,802
Resource Room/Resource Center	1,881,586	1,821,833	1,968,229	2,166,386	2,078,600
Home Instruction	14,101	24,964	14,923	14,800	16,400
	<u>2,275,927</u>	<u>2,332,467</u>	<u>2,387,677</u>	<u>2,541,969</u>	<u>2,414,802</u>

Behavioral Disabilities

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Salaries of Teachers	48,639	50,194	52,526	-	-
Other Salaries for Instruction	20,340	21,502	20,883	-	-
Other Purchased Services (400-500 series)	-	-	-	-	-
General Supplies	-	489	1,118	-	-
Other Objects	786	-	500	-	-
	<u>69,765</u>	<u>72,185</u>	<u>75,027</u>	<u>-</u>	<u>-</u>

Multiple Disabilities

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Salaries of Teachers	210,170	253,773	215,414	224,699	228,400
Other Salaries for Instruction	93,797	152,683	100,052	126,548	74,550
Other Purchased Services (400-500 series)	-	239	252	100	2,000
General Supplies	6,508	6,790	12,783	7,905	14,852
Textbooks	-	-	319	1,531	-
Other Objects	-	-	678	-	-
	<u>310,475</u>	<u>413,485</u>	<u>329,498</u>	<u>360,783</u>	<u>319,802</u>

2018-2019 Budget

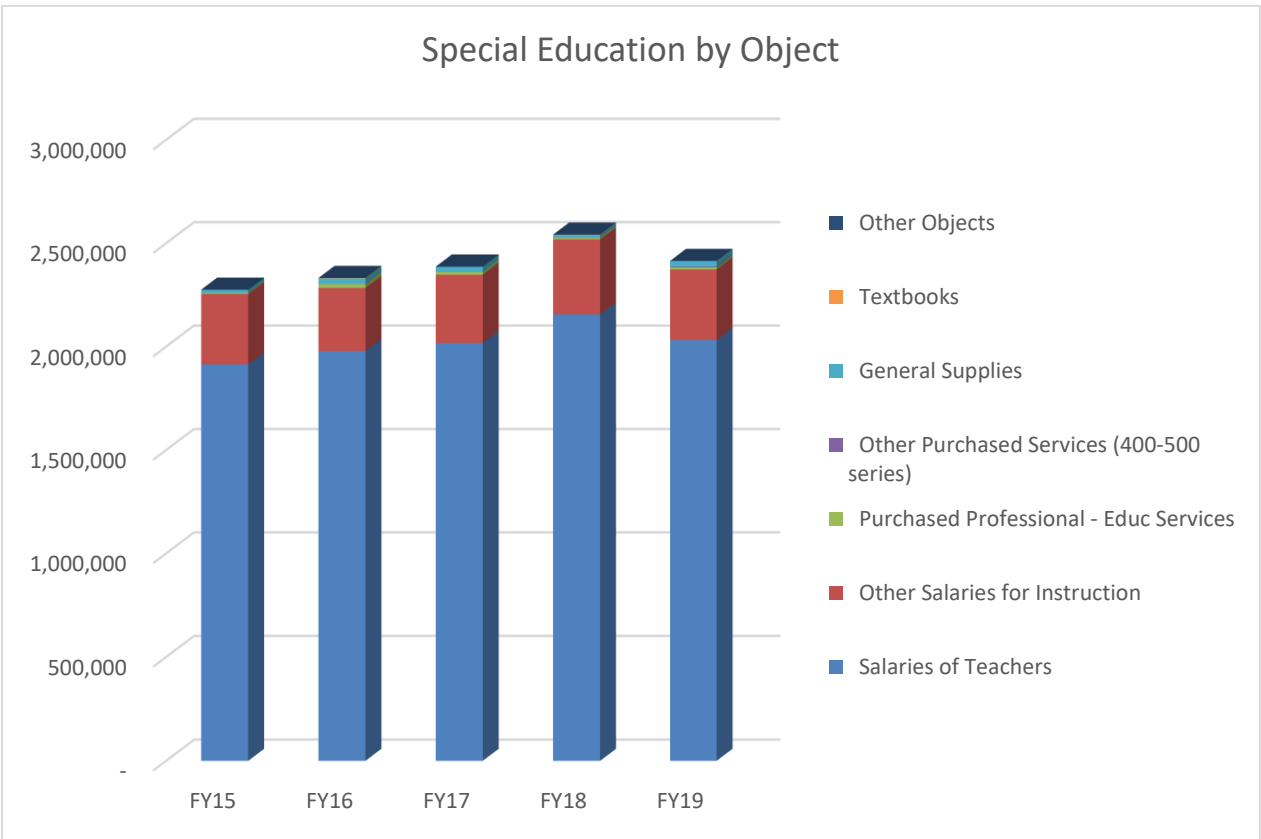
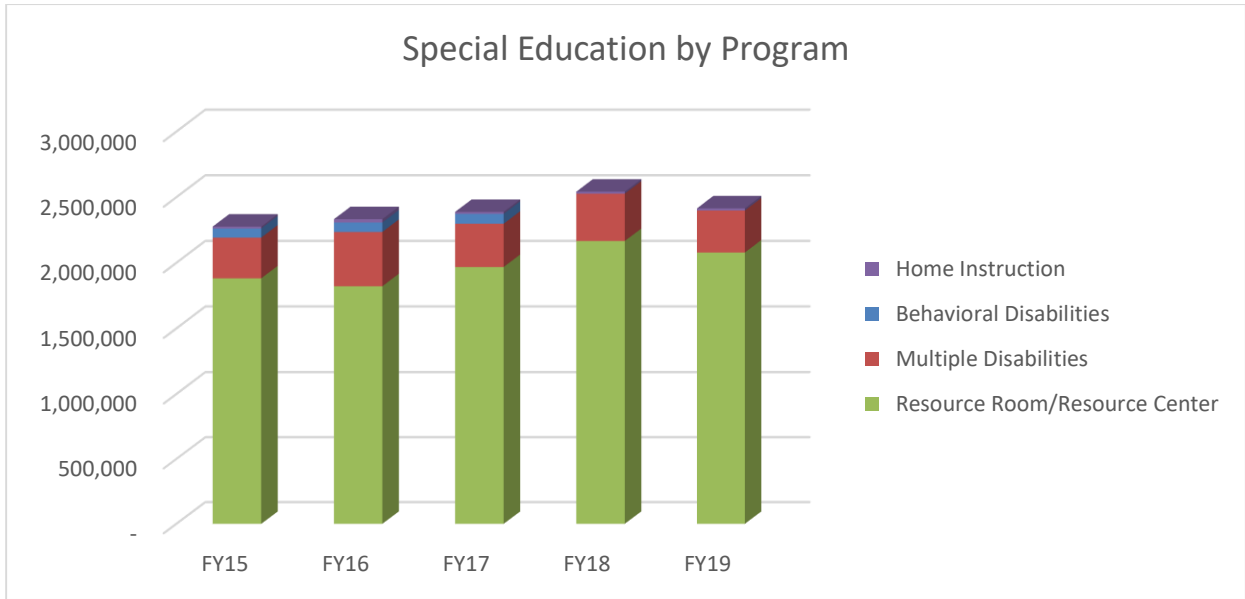
Resource Room/Resource Center	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Salaries of Teachers	1,645,926	1,669,244	1,749,328	1,924,786	1,798,050
Other Salaries for Instruction	226,993	130,531	209,095	236,202	266,650
Other Purchased Services (400-500 series)	-	239	-	-	2,000
General Supplies	8,667	20,313	9,806	5,398	11,900
Textbooks	-	1,506	-	-	-
	1,881,586	1,821,833	1,968,229	2,166,386	2,078,600

Home Instruction	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Salaries of Teachers	9,598	6,337	720	7,000	6,000
Purchased Professional - Educational Services	4,503	18,627	14,203	7,500	10,000
Other Purchased Services (400-500 series)	-	-	-	300	400
	14,101	24,964	14,923	14,800	16,400

Special Education - Instruction	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Salaries of Teachers	1,914,333	1,979,548	2,017,988	2,156,485	2,032,450
Other Salaries for Instruction	341,130	304,716	330,030	362,750	341,200
Purchased Professional - Educ Services	4,503	18,627	14,203	7,500	10,000
Other Purchased Services (400-500 series)	-	478	252	400	4,400
General Supplies	15,175	27,592	23,707	13,303	26,752
Textbooks	-	1,506	319	1,531	-
Other Objects	786	-	1,178	-	-
	2,275,927	2,332,467	2,387,677	2,541,969	2,414,802

Special Education – Instruction (11-2XX-100-XXX) is used to record the classroom costs of providing services as a result of individualized education programs (IEPs). A program is considered special when its classes contain only special education pupils. Costs are classified within the specific program categories.

2018-2019 Budget

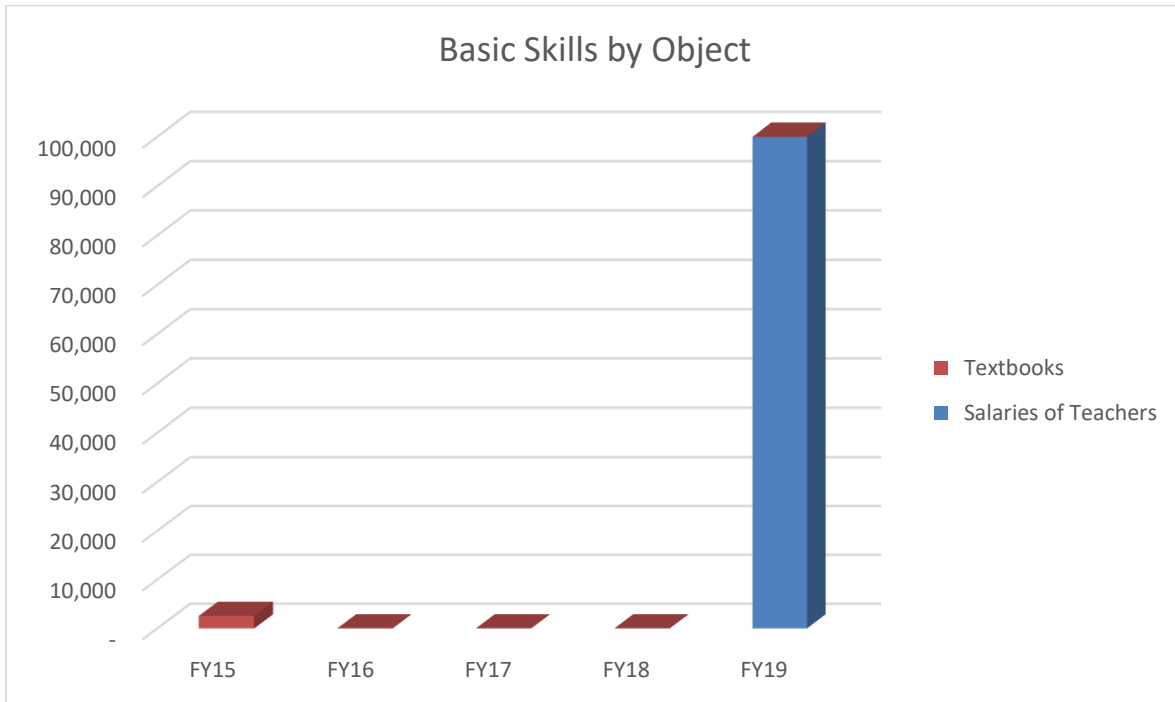


2018-2019 Budget

Basic Skills/Remedial – Instruction

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Salaries of Teachers	-	-	-	-	100,000
General Supplies	2,794	738	881	2,296	5,625
Textbooks	2,558	-	-	-	-
	5,352	738	881	2,296	105,625

Basic Skills (11-230-100-XXX) is used to record the classroom costs of providing the District’s basic skills program. This includes math and English/language arts lab classes at the middle and high school, which are designed to support students identified as needing additional assistance.

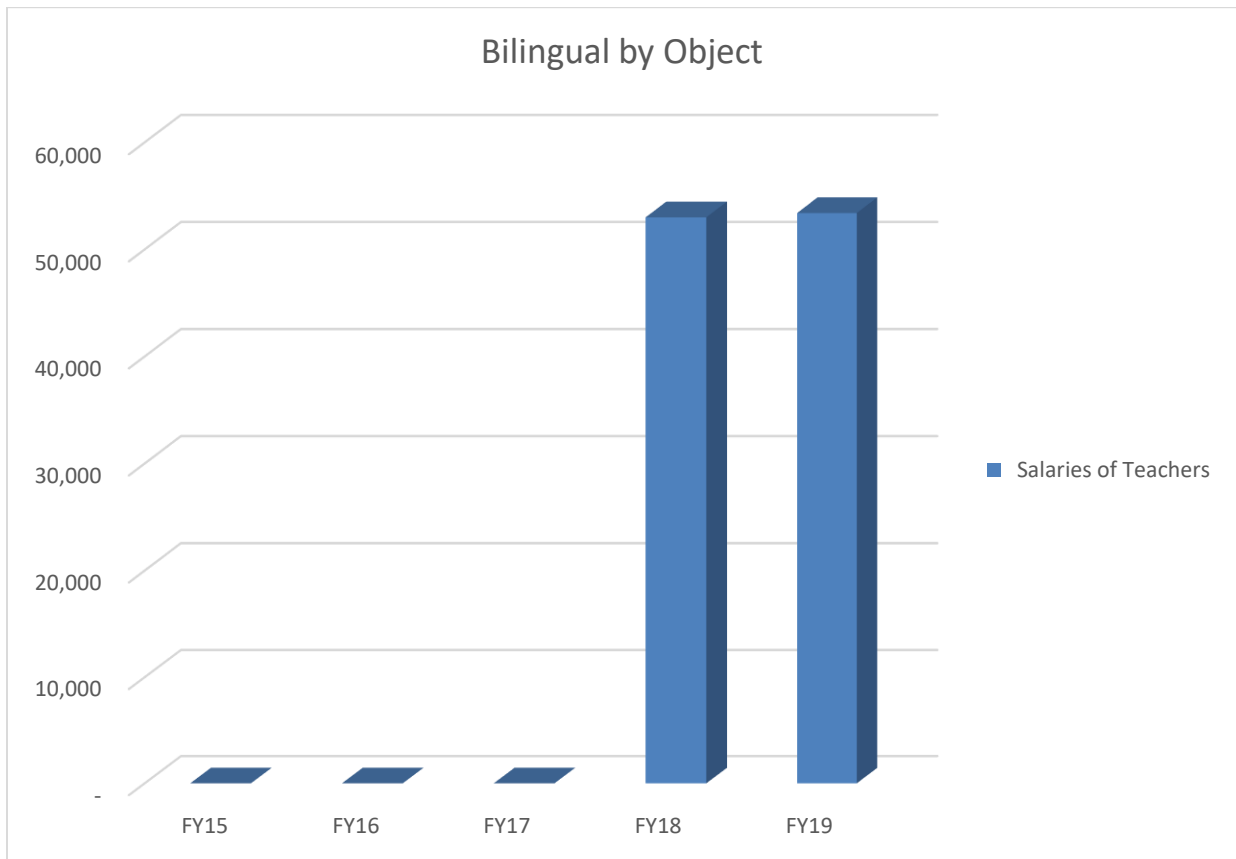


2018-2019 Budget

Bilingual Education - Instruction

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Salaries of Teachers	-	-	-	53,000	53,400
	-	-	-	53,000	53,400

Bilingual Education - Instruction activities (11-240-100-XXX) is used to record the classroom costs of providing the district's bilingual education program.

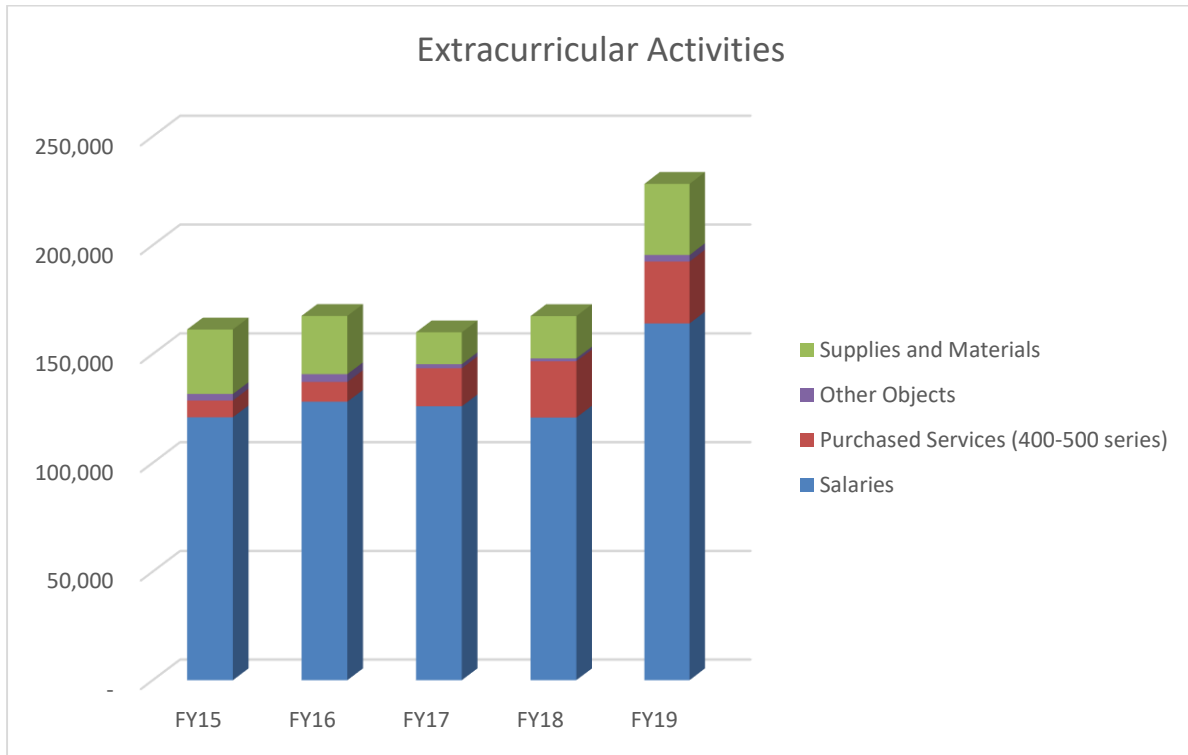


2018-2019 Budget

School-Sponsored Extracurricular Activities

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Salaries	120,935	128,067	126,007	120,819	164,040
Purchased Services (400-500 series)	7,700	9,097	17,443	25,850	28,450
Supplies and Materials	29,604	26,723	14,656	19,440	32,700
Other Objects	3,020	3,622	1,875	1,320	3,010
	161,259	167,509	159,981	167,429	228,200

School-Sponsored co-curricular/Extracurricular activities (11-401-100-XXX) is used to record the costs associated with district sponsored extracurricular activities such as entertainment, publications, clubs, band and mock trial.

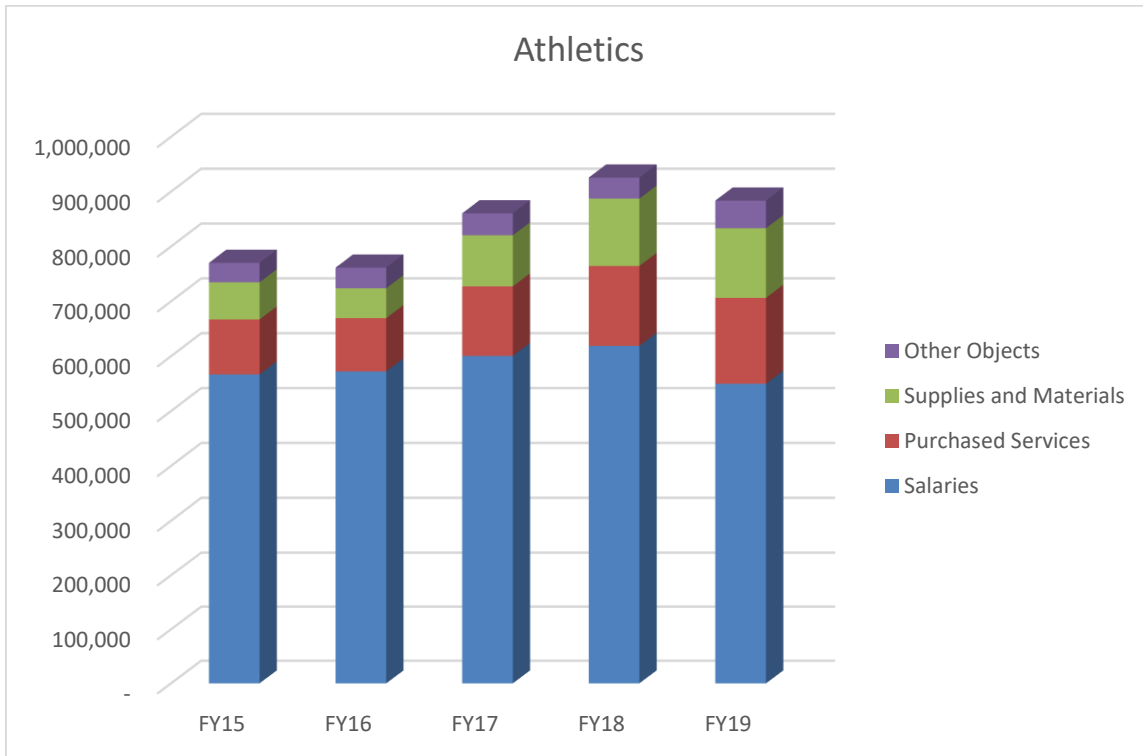


2018-2019 Budget

Athletics

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Salaries	566,986	572,238	600,604	618,837	549,724
Purchased Services	100,029	97,108	126,694	145,624	156,639
Supplies and Materials	67,784	54,592	93,154	122,861	126,950
Other Objects	35,458	37,573	40,031	38,388	50,478
	<u>770,257</u>	<u>761,511</u>	<u>860,483</u>	<u>925,710</u>	<u>883,791</u>

School-sponsored athletics (11-402-100-XXX) is used to record those costs attributed to its district sponsored interscholastic athletic programs. Kingsway offers athletic team opportunities at the freshman, junior varsity and varsity levels.

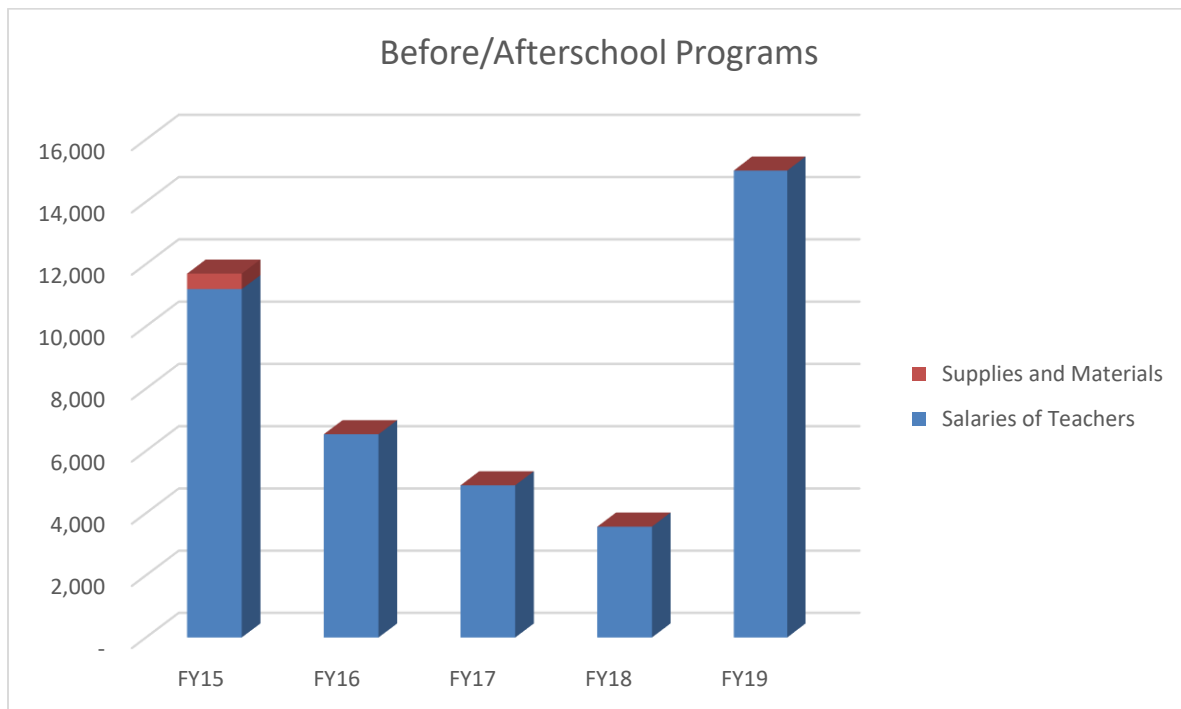


2018-2019 Budget

Before/After School Programs

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Salaries of Teachers	11,194	6,534	4,894	3,565	15,000
Supplies and Materials	497	-	-	-	-
	<u>11,691</u>	<u>6,534</u>	<u>4,894</u>	<u>3,565</u>	<u>15,000</u>

Before/After School Programs (11-421-100-XXX) is used to record the costs of remedial/supplementary support for students. This included the middle school’s after school enrichment program, which emphasized higher-level thinking skills, basic and complex problem solving, and extended interdisciplinary themes.

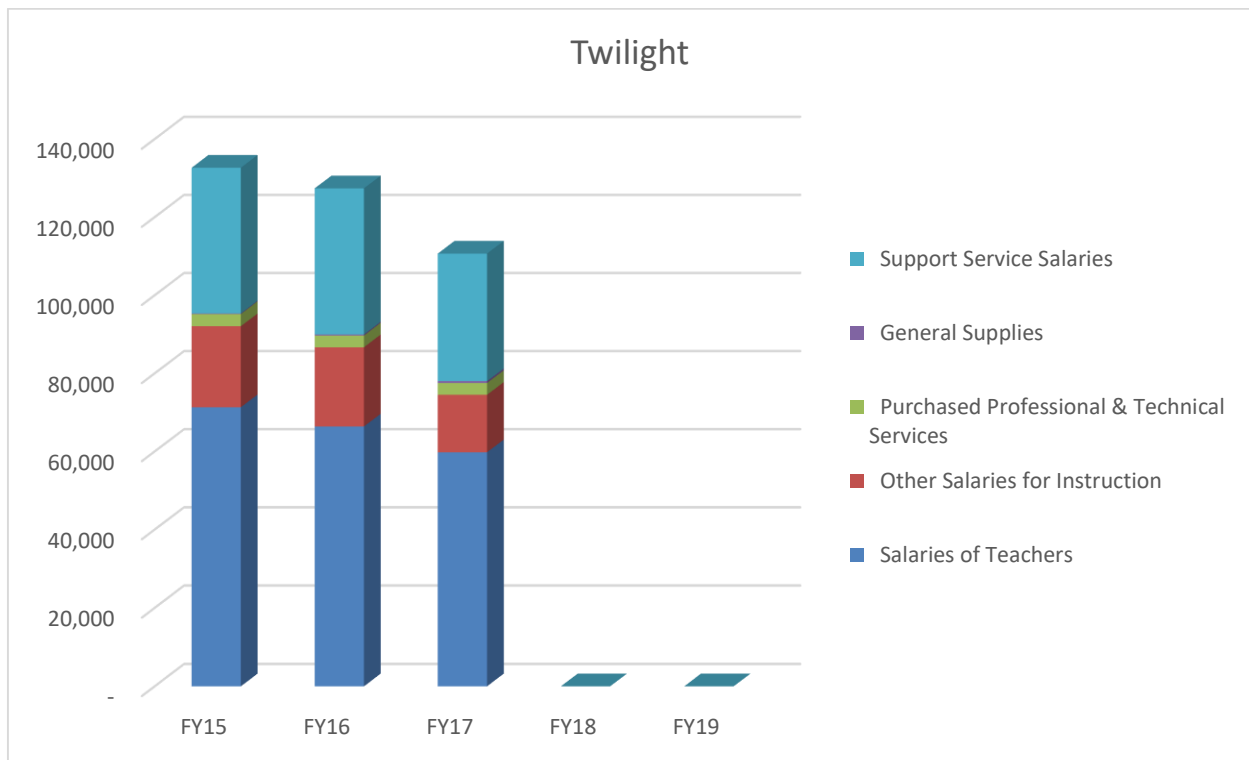


2018-2019 Budget

Alternative Education Program – Twilight

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Salaries of Teachers	71,327	66,405	59,796	-	-
Other Salaries for Instruction	20,754	20,277	14,729	-	-
Purchased Professional & Technical Services	3,100	3,000	3,000	-	-
General Supplies	182	298	490	-	-
Support Service Salaries	37,288	37,400	32,656	-	-
	132,651	127,380	110,671	-	-

Instructional Alternative Education Programs (11-423-X00-XXX) is used to record costs for instructional programs designed for students assigned to the district’s alternative twilight program in order to provide enhanced learning experiences for specific students.

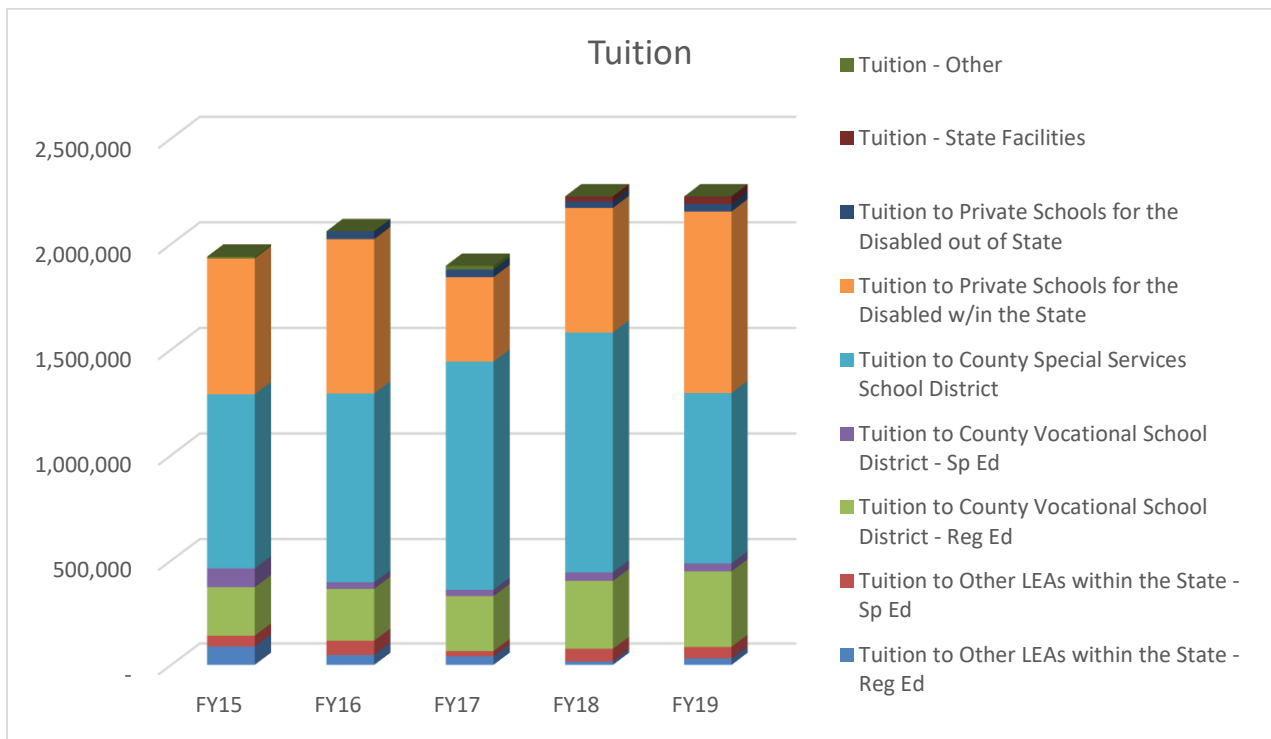


2018-2019 Budget

Instruction – Tuition

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Tuition to Other LEAs within the State - Reg Ed	88,269	47,506	40,727	16,028	31,000
Tuition to Other LEAs within the State - Sp Ed	51,645	67,918	25,348	60,819	55,000
Tuition to County Vocational School District - Reg Ed	232,136	248,614	263,340	325,260	361,645
Tuition to County Vocational School District - Sp Ed	90,059	31,191	30,394	41,160	38,700
Tuition to County Special Services School District	825,913	896,833	1,083,302	1,137,525	807,962
Tuition to Private Schools for the Disabled w/in the State	643,633	730,907	399,741	589,887	859,611
Tuition to Private Schools for the Disabled out of State	-	37,444	36,000	30,000	35,000
Tuition - State Facilities	-	-	-	24,775	36,247
Tuition - Other	8,133	-	17,699	-	-
	1,939,788	2,060,413	1,896,551	2,225,454	2,225,165

Instruction – Tuition (11-000-100-5XX) is used to record tuition costs paid to other districts, private schools for the handicapped, county vocational and special services school districts, and state facilities. A distinction is made between regular and special education pupils and receiving districts within and outside the state.

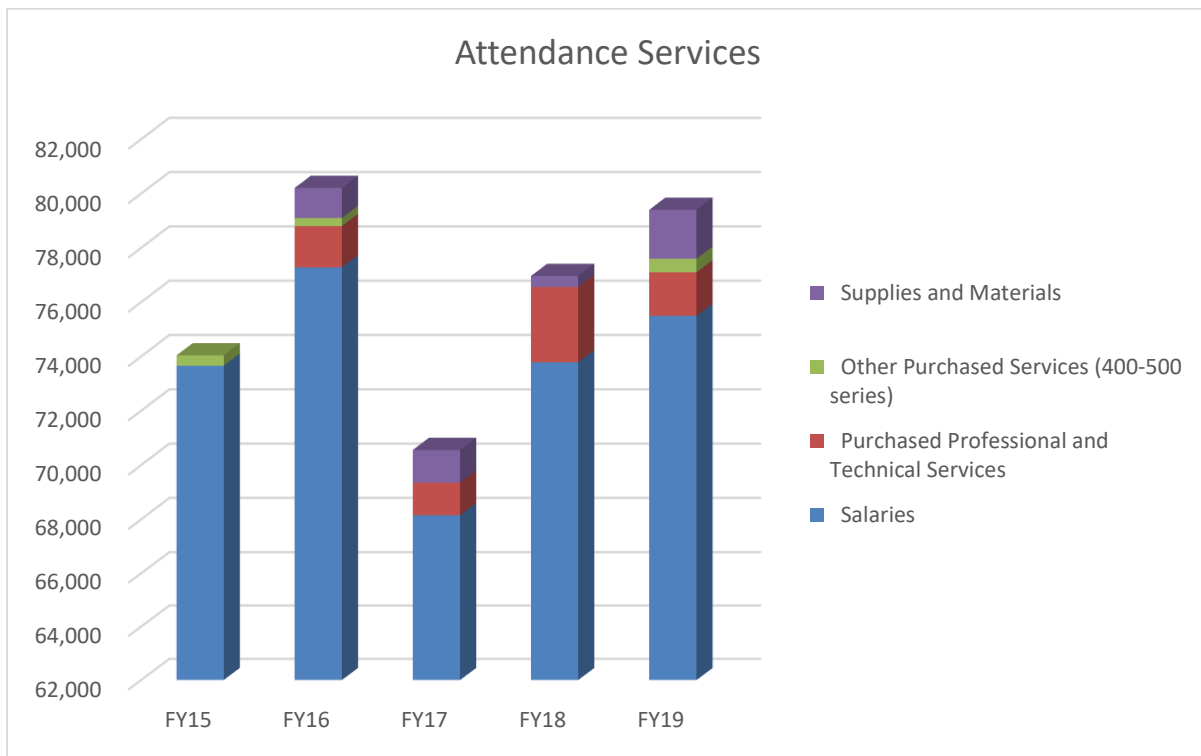


2018-2019 Budget

Attendance Services

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Salaries	73,660	77,284	68,155	73,788	75,500
Purchased Professional and Technical Services		1,518	1,198	2,775	1,600
Other Purchased Services (400-500 series)	381	300	-	-	500
Supplies and Materials		1,107	1,203	400	1,800
	74,041	80,209	70,556	76,963	79,400

Attendance services (11-000-211-XXX) is used to record the expenditures associated with activities designed to improve student attendance at school and which attempt to prevent or solve student problems. The collection, maintenance, and reporting of school attendance records, family characteristics data, census data, and other important information is recorded here.

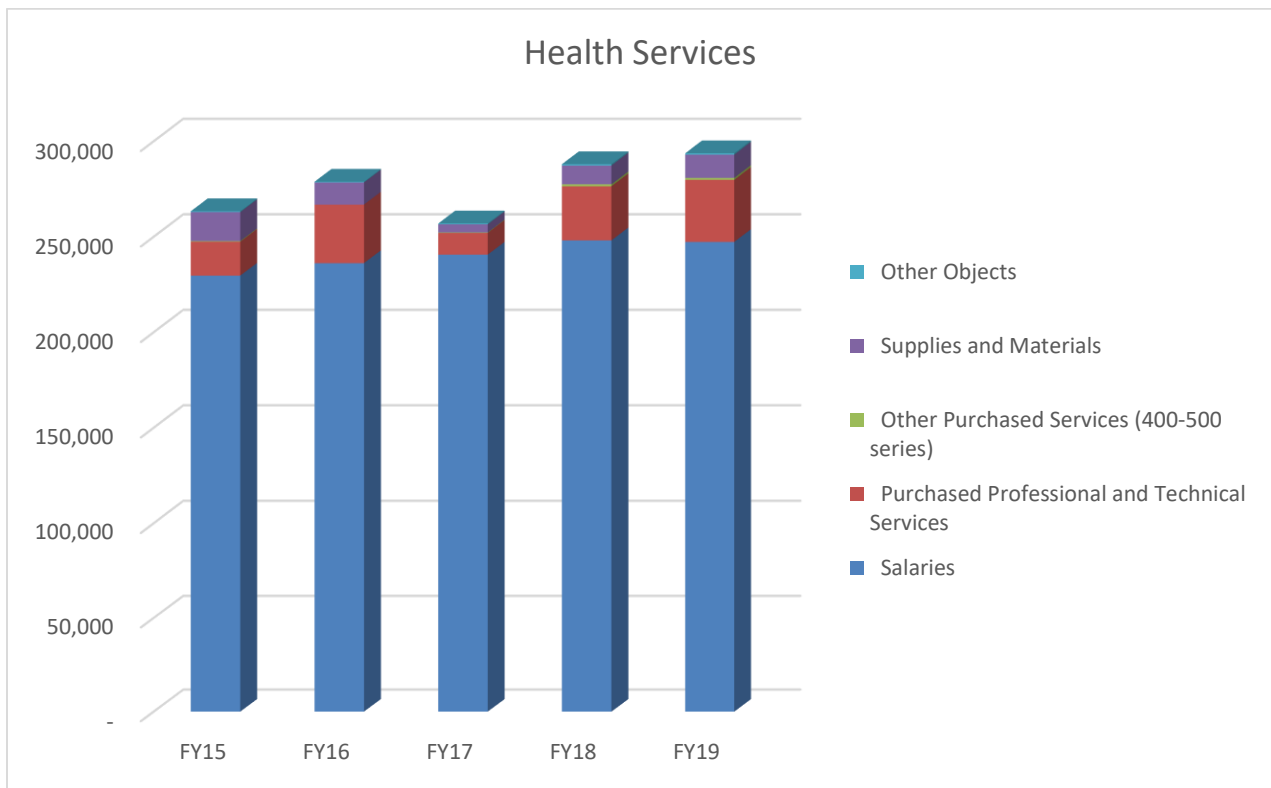


2018-2019 Budget

Health Services

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Salaries	229,658	236,200	240,632	248,116	247,300
Purchased Professional and Technical Services	17,760	30,635	11,374	28,315	32,495
Other Purchased Services (400-500 series)	318	-	249	1,050	1,050
Supplies and Materials	15,161	11,605	4,263	9,832	12,135
Other Objects	467	351	410	675	720
	263,364	278,791	256,928	287,988	293,700

Health services (11-000-213-XXX) is used to record the costs associated with physical and mental health services provided to students which are not direct instruction such as supervision of health services, health appraisal, emergency injury and illness care and communications with parents' medical officials.

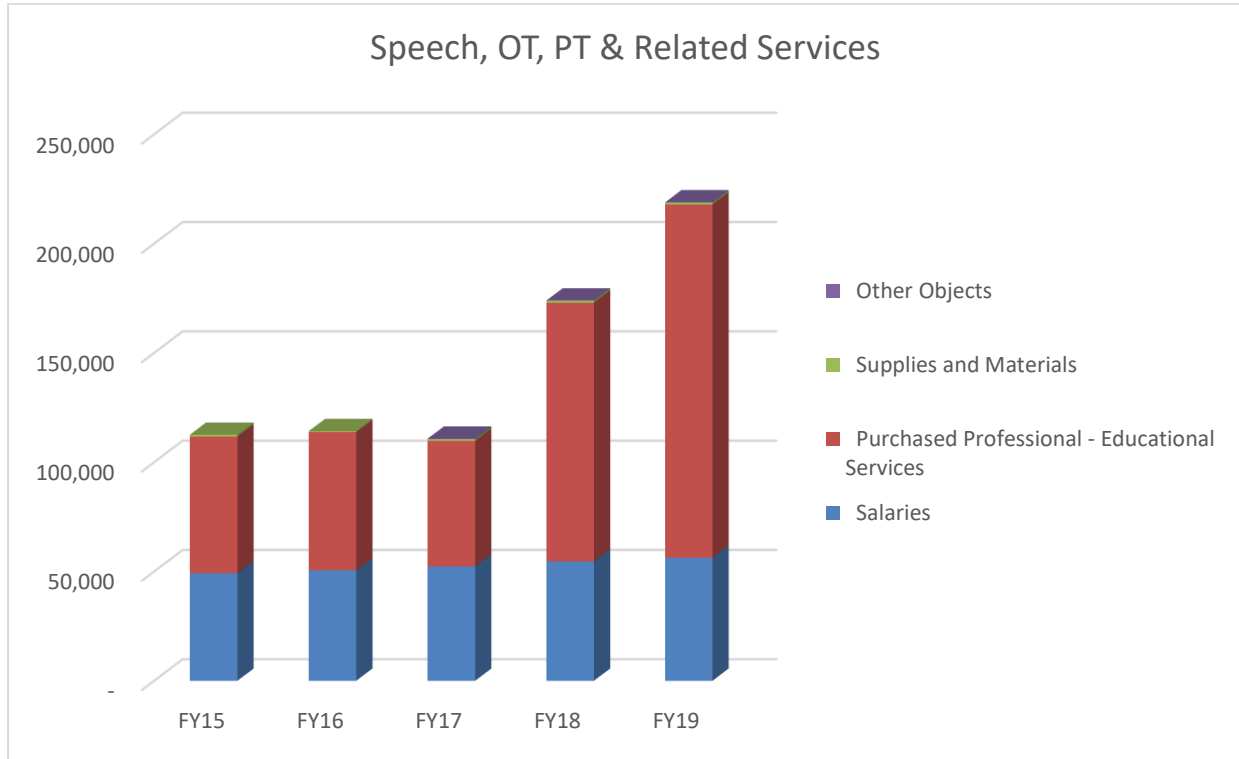


2018-2019 Budget

Speech/Occupational Therapy/Physical Therapy and Related Services

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Salaries	49,243	50,537	52,294	54,626	56,250
Purchased Professional - Educational Services	62,476	63,276	57,443	118,335	161,600
Supplies and Materials	815	368	815	1,000	1,000
Other Objects			192	-	-
	112,534	114,181	110,744	173,961	218,850

Speech/Occupational Therapy/Physical Therapy and Related services (11-000-216-XXX) is used to record the costs of related services provided to students as a result of individualized education programs (IEPs) such as speech therapy, occupational therapy, physical therapy, and additional counseling.

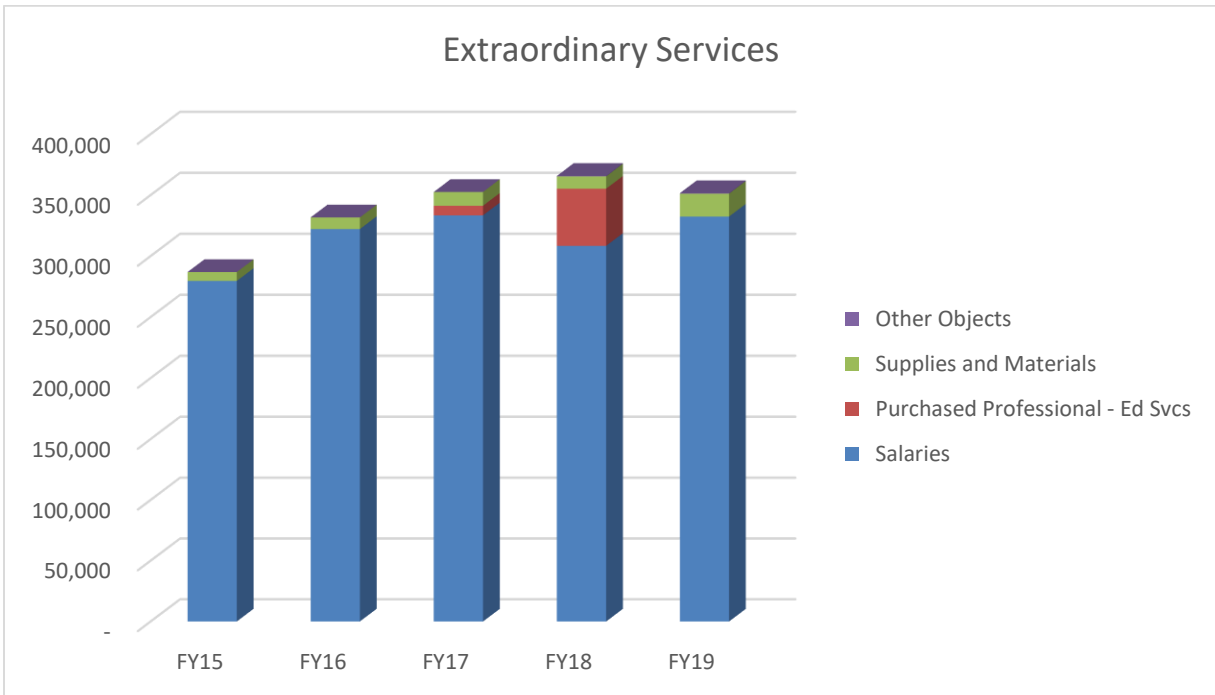


2018-2019 Budget

Extraordinary Services

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Salaries	279,649	322,147	333,404	308,349	332,350
Purchased Professional - Ed Svcs	-	-	7,816	46,885	-
Supplies and Materials	7,250	9,557	11,346	10,076	18,800
Other Objects	-	-	-	400	400
	286,899	331,704	352,566	365,710	351,550

Extraordinary services (11-000-217-XXX) is used to record the costs of services other than related services provided to students as a result of an I.E.P., which are unique to individual students, such as one-to-one aides.

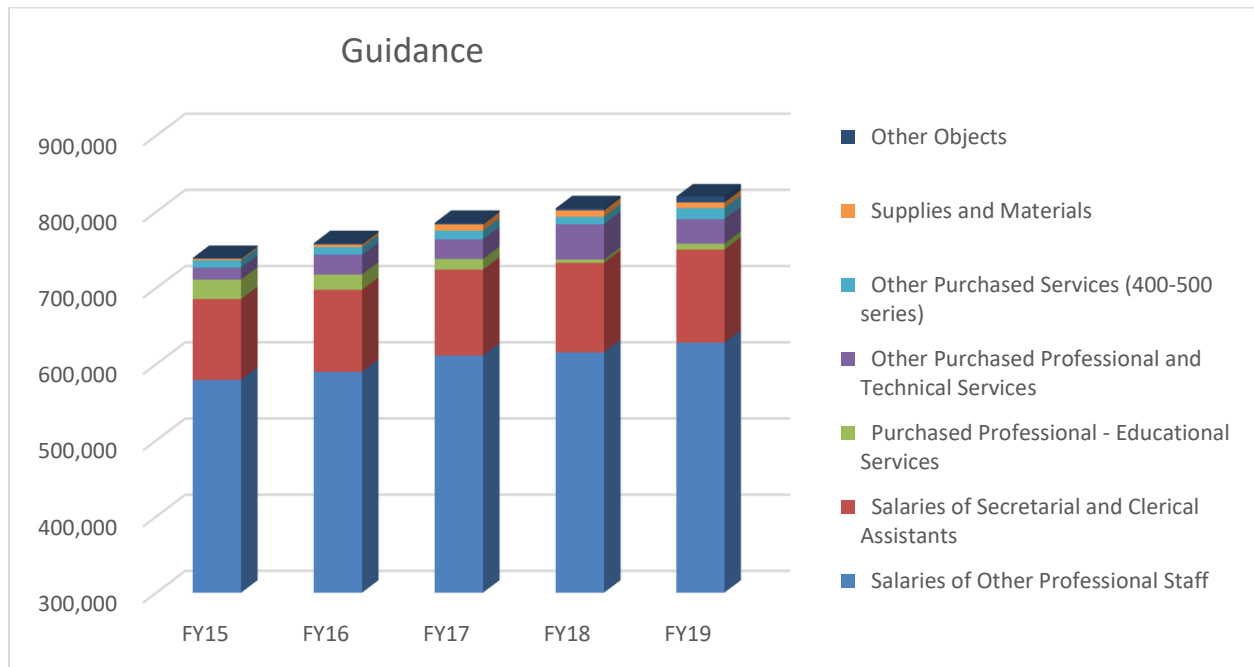


2018-2019 Budget

Guidance

	Actual			Revised FY18	Proposed FY19
	FY15	FY16	FY17		
Salaries of Other Professional Staff	579,277	589,838	611,307	615,416	628,210
Salaries of Secretarial and Clerical Assistants	106,172	107,677	112,725	117,662	122,085
Purchased Professional - Educational Services	25,573	20,118	14,009	4,210	7,725
Other Purchased Professional and Technical Services	15,572	26,062	25,900	46,270	32,350
Other Purchased Services (400-500 series)	9,718	9,862	11,229	9,875	14,480
Supplies and Materials	1,969	3,361	8,196	8,400	7,326
Other Objects	1,049	1,833	2,100	2,770	7,845
	739,330	758,751	785,466	804,603	820,021

Guidance (11-000-218-XXX) is used to record the costs associated with guidance services and any other activities supplemental to the teaching process that are designed to assess and improve the well-being of students other than attendance, health and child study team services. Guidance services includes counseling with students and parents, consulting with other staff members on learning problems, evaluating the abilities of students, assisting students in personal and social development, providing referral assistance and working with other staff members in planning and conducting guidance programs for students. Guidance services also include pupil record maintenance – the compiling, maintaining and interpreting of pupil records.

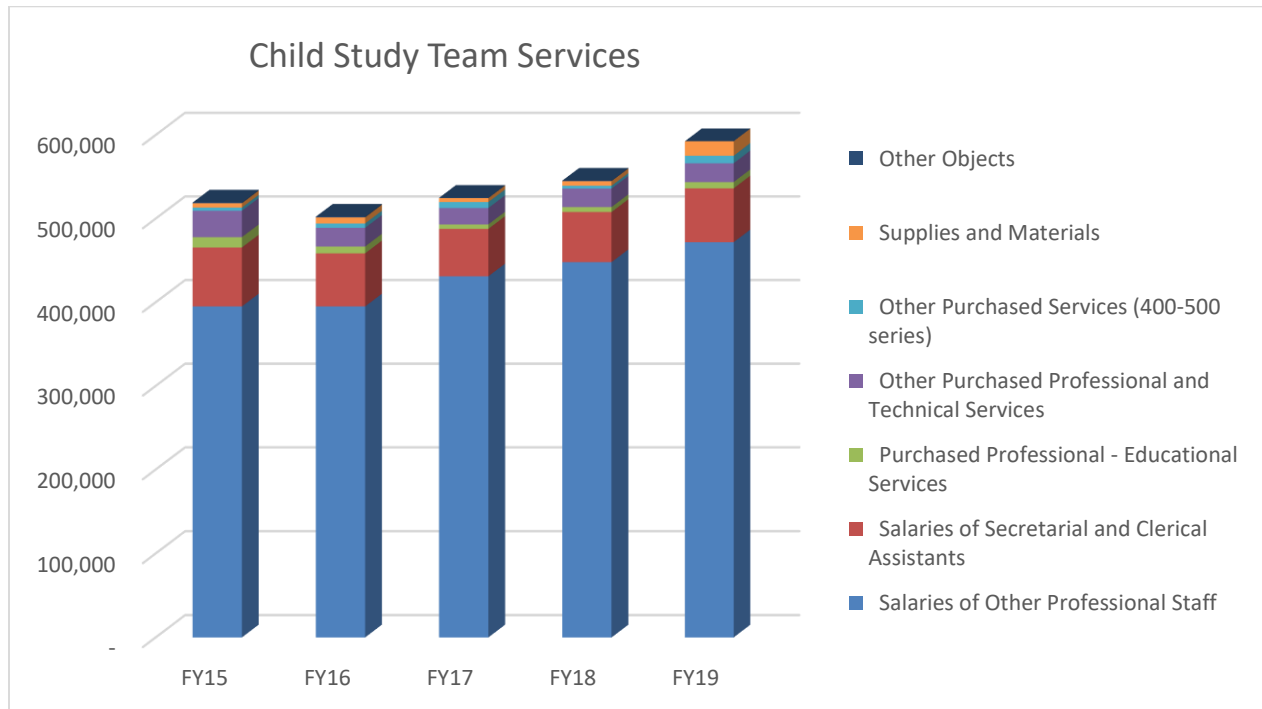


2018-2019 Budget

Child Study Team

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Salaries of Other Professional Staff	395,103	395,097	431,037	447,984	471,800
Salaries of Secretarial and Clerical Assistants	70,425	63,428	56,747	59,941	64,410
Purchased Professional - Educational Services	12,292	8,097	5,271	5,959	7,500
Other Purchased Professional and Technical Services	31,591	22,366	19,669	22,061	22,500
Other Purchased Services (400-500 series)	3,867	5,238	7,116	3,440	8,960
Supplies and Materials	5,138	7,278	4,665	5,434	17,325
Other Objects	820	820	311	500	-
	519,236	502,324	524,816	545,319	592,495

Child Study Team services (11-000-219-XXX) is used to record the costs associated with the services provided by the child study team members. A child study team consists of a school psychologist, a learning disabilities teacher-consultant, and a school social worker. Child study team members may provide both support services in the development of the I.E.P. and may also provide the actual services for the implementation of the I.E.P.s.

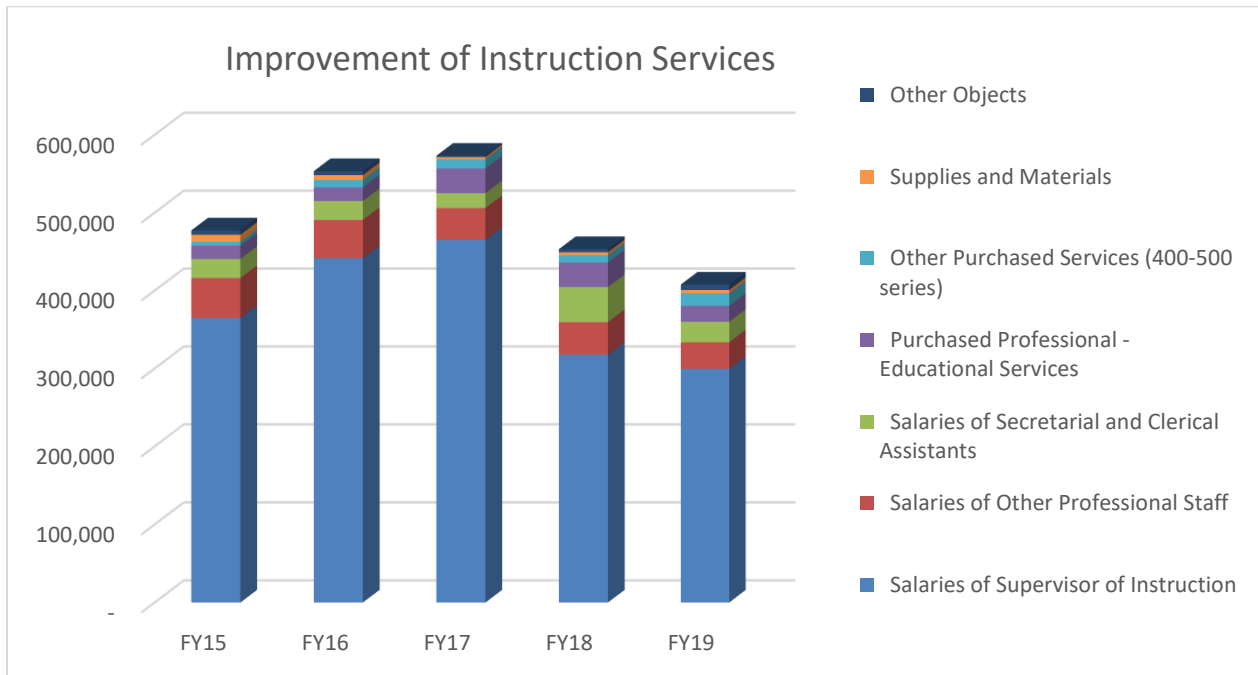


2018-2019 Budget

Improvement of Instruction Services

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Salaries of Supervisor of Instruction	364,708	441,641	465,264	317,650	299,450
Salaries of Other Professional Staff	51,407	49,062	40,681	41,905	34,289
Salaries of Secretarial and Clerical Assistants	24,510	24,365	19,099	45,090	26,250
Purchased Professional - Educational Services	17,001	17,449	31,761	31,471	20,500
Other Purchased Services (400-500 series)	5,061	9,659	12,017	9,366	16,267
Supplies and Materials	9,021	6,171	2,588	3,770	4,000
Other Objects	5,600	5,066	1,786	4,050	7,000
	477,308	553,413	573,196	453,302	407,756

Improvement of Instruction services (11-000-221-XXX) is used to record the costs associated with assisting instructional staff in planning, developing, supporting and evaluating the process of providing valuable learning experiences for students. These activities include supervision of instruction services, curriculum development, techniques of instruction, and the monitoring and evaluation of instructional staff members.

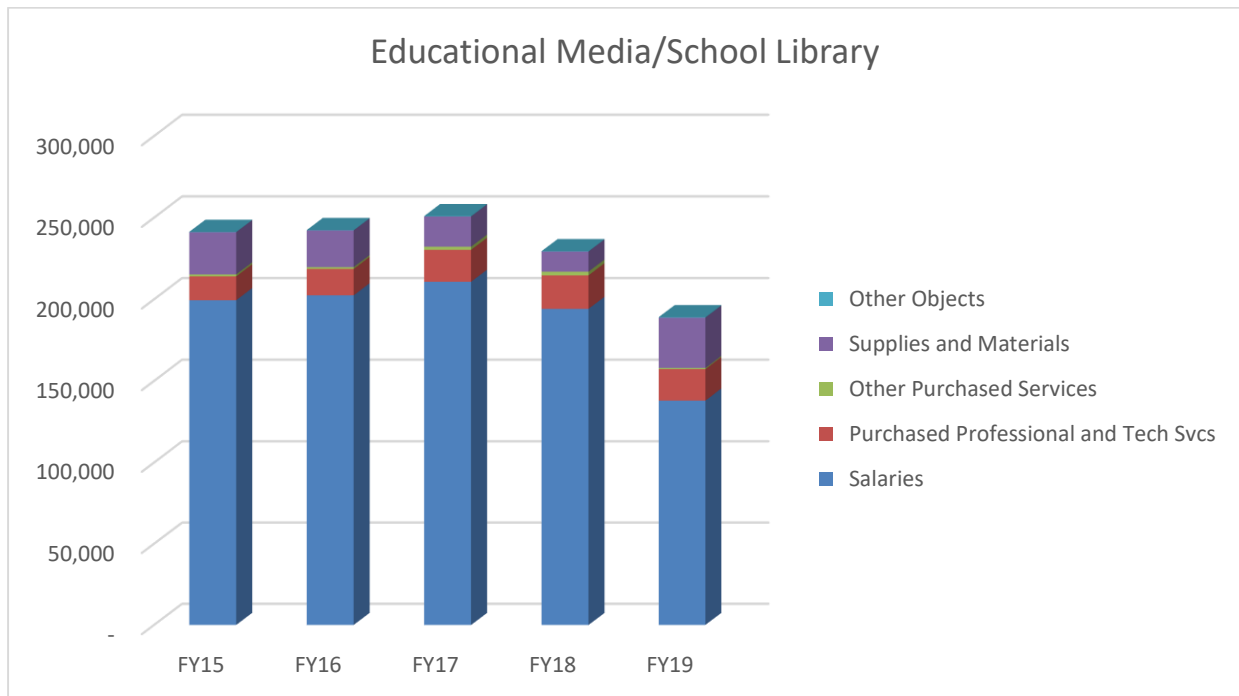


2018-2019 Budget

Educational Media Services/School Library

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Salaries	199,460	202,419	210,724	194,168	137,950
Purchased Professional and Tech Svcs	14,583	16,169	19,589	20,512	19,274
Other Purchased Services	1,210	1,100	1,934	2,230	700
Supplies and Materials	25,877	22,504	18,515	12,347	30,865
Other Objects	150	195	195	195	264
	241,280	242,387	250,957	229,452	189,053

Educational Media services/School Library (11-000-222-XXX) is used to record the costs associated with activities concerning the use of all teaching and learning resources, including hardware and content materials. School library services, audiovisual services, and computer assisted instruction services are recorded here.

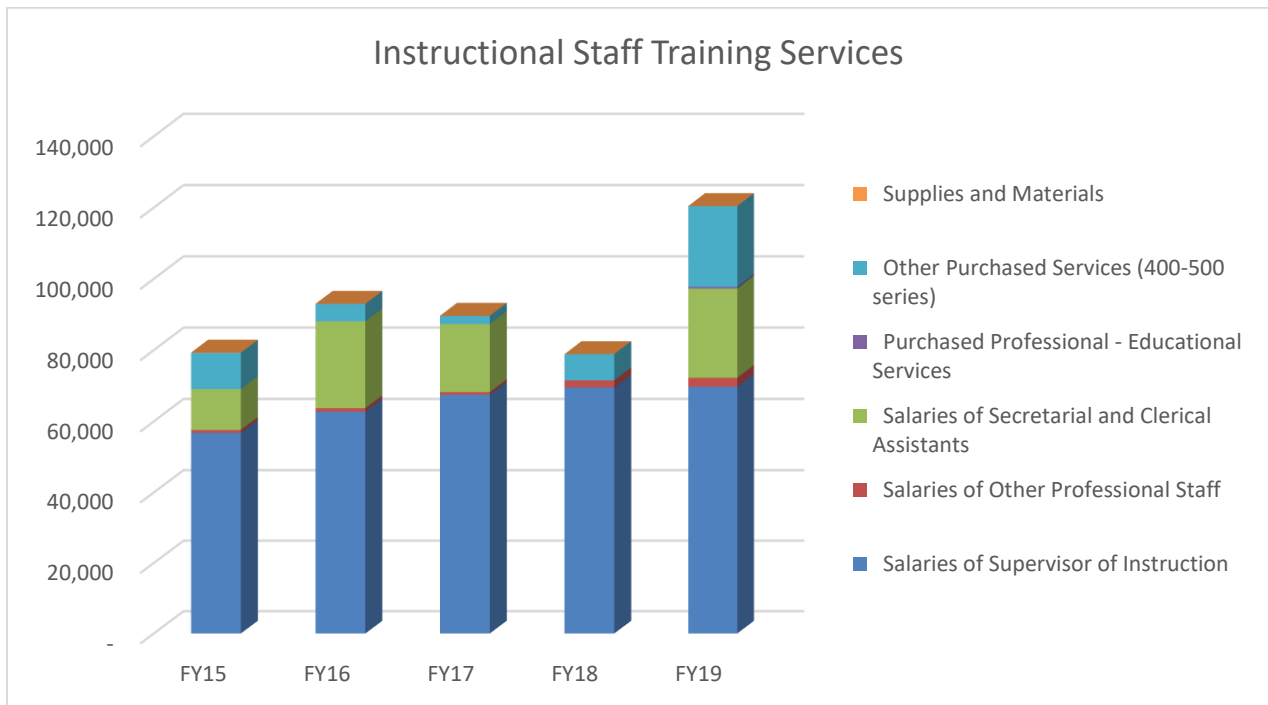


2018-2019 Budget

Instructional Staff Training Services

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Salaries of Supervisor of Instruction	56,787	62,753	67,500	69,526	69,750
Salaries of Other Professional Staff	825	954	720	2,002	2,480
Salaries of Secretarial and Clerical Assistants	11,446	24,365	19,099	-	25,050
Purchased Professional - Educational Services			-	-	500
Other Purchased Services (400-500 series)	10,173	4,934	2,326	7,360	22,650
Supplies and Materials	75	-	-	-	-
	<u>79,306</u>	<u>93,006</u>	<u>89,645</u>	<u>78,888</u>	<u>120,430</u>

Instructional Staff Training services (11-000-223-XXX) is used to record the activities that contribute to the professional or occupational growth and competence of members of the instructional staff during their time of service to the school system.

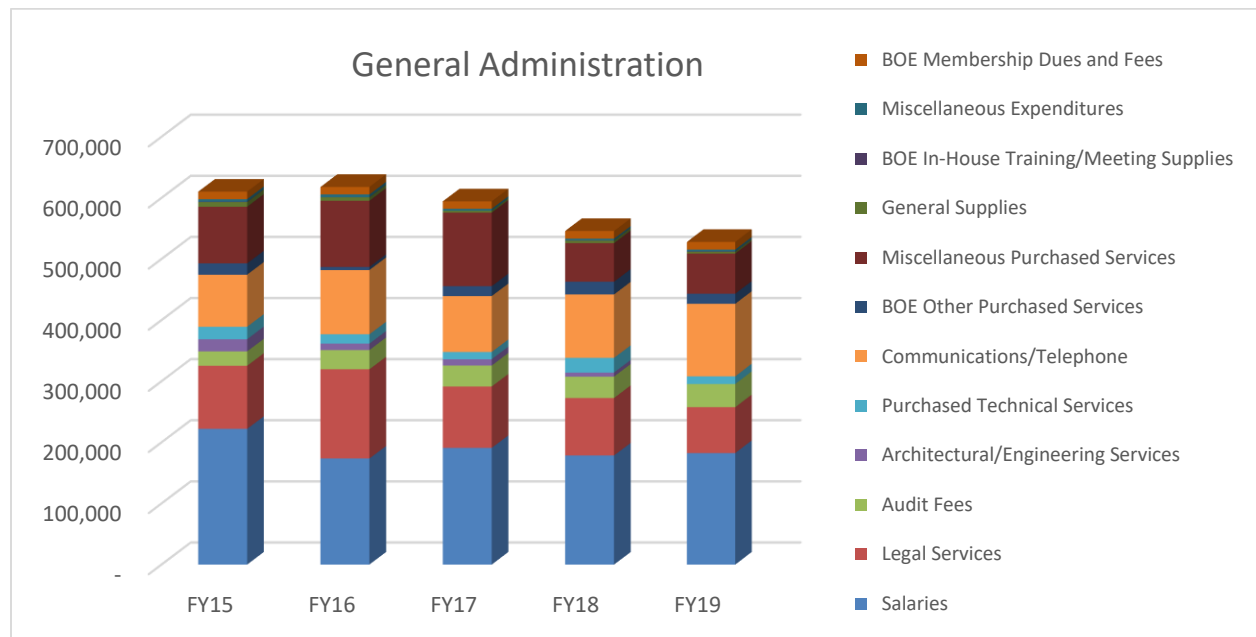


2018-2019 Budget

General Administration

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Salaries	222,056	173,552	190,917	178,512	182,550
Legal Services	103,241	145,985	100,509	94,020	75,000
Audit Fees	23,500	31,500	34,284	35,000	38,000
Architectural/Engineering Services	19,850	10,560	10,272	6,684	-
Purchased Technical Services	20,434	15,232	11,859	24,000	12,500
Communications/Telephone	85,216	105,088	91,497	103,795	118,700
BOE Other Purchased Services	18,545	5,092	16,197	20,790	16,500
Miscellaneous Purchased Services	92,730	108,231	120,314	63,167	65,667
General Supplies	7,491	5,671	3,137	4,150	3,000
BOE In-House Training/Meeting Supplies	706	288	114	500	500
Miscellaneous Expenditures	4,172	4,525	3,004	2,650	3,000
BOE Membership Dues and Fees	12,190	12,190	12,190	12,500	12,500
	610,131	617,914	594,294	545,768	527,917

General Administration (11-000-230-XXX) is used to record the costs associated with activities concerned with the establishing and administering of policy for operating the district. These include Board of Education (BOE) and executive administration services (Superintendent.)

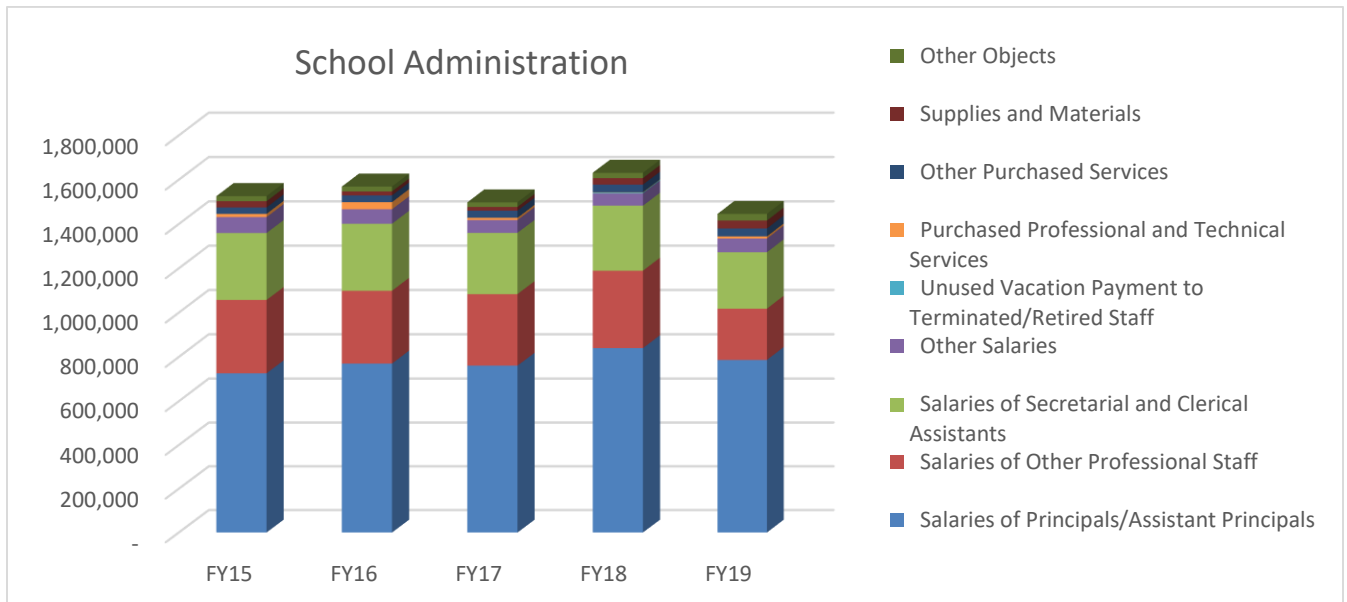


2018-2019 Budget

School Administration

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Salaries of Principals/Assistant Principals	726,260	770,237	760,808	839,916	786,500
Salaries of Other Professional Staff	331,009	328,568	322,791	349,366	231,500
Salaries of Secretarial and Clerical Assistants	302,218	302,509	276,567	293,573	254,500
Other Salaries	72,074	65,200	57,689	54,693	61,980
Unused Vacation Payment to Terminated/Retired Staff	-	-	-	4,095	-
Purchased Professional and Technical Services	14,341	32,322	10,170	1,670	9,675
Other Purchased Services	29,178	30,376	32,058	34,642	35,900
Supplies and Materials	28,035	17,833	16,896	29,428	35,775
Other Objects	22,957	22,136	20,773	23,843	29,850
	<u>1,526,072</u>	<u>1,569,181</u>	<u>1,497,752</u>	<u>1,631,226</u>	<u>1,445,680</u>

School Administration (11-000-240-XXX) is used to record the costs associated with the overall administrative responsibility for a school. It includes the activities performed by the Principal, Assistant Principals, and other assistants while they supervise the operation of the school, evaluate staff members, supervise and maintain the records of the school, and coordinate school instructional activities with those of the district. Also included here are the activities of department directors such as guidance, athletics, and special education.

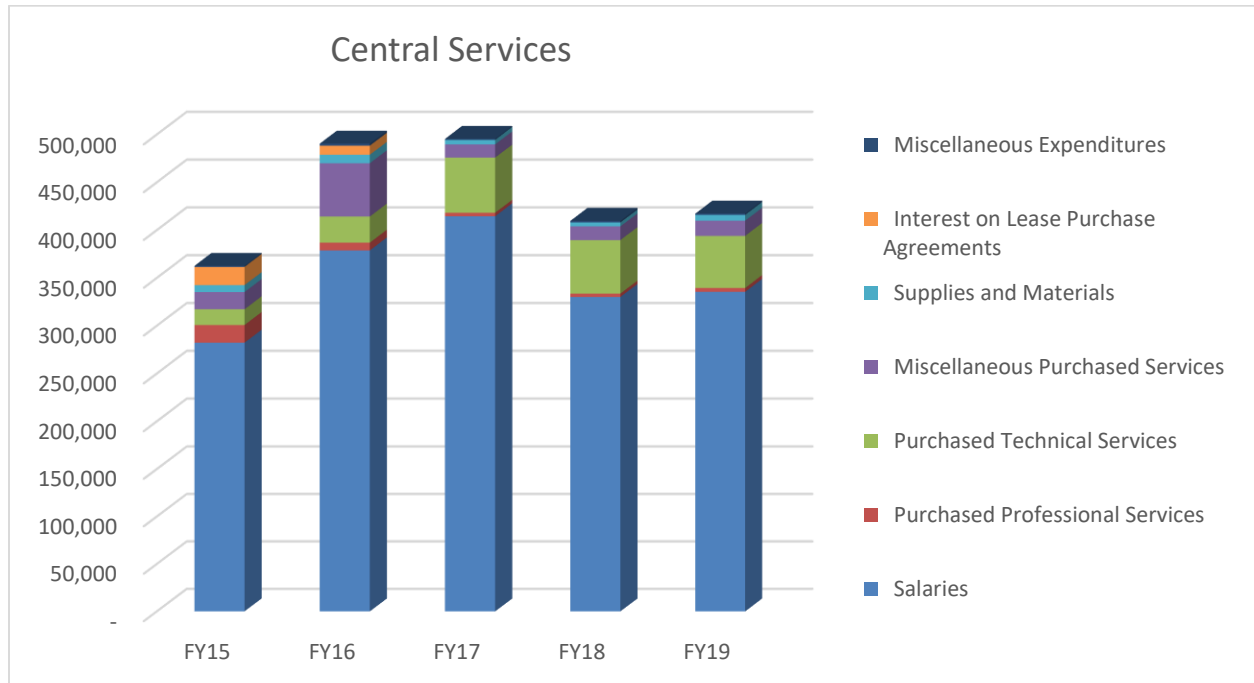


2018-2019 Budget

Central Services

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Salaries	282,282	378,768	414,468	330,098	335,417
Purchased Professional Services	18,435	8,077	3,695	3,500	4,000
Purchased Technical Services	16,484	27,325	57,623	55,950	54,500
Miscellaneous Purchased Services	18,023	55,740	13,788	14,367	15,916
Supplies and Materials	7,217	8,867	4,703	4,000	6,036
Interest on Lease Purchase Agreements	19,020	9,510	-	-	-
Miscellaneous Expenditures	1,090	2,080	1,125	1,700	1,350
	<u>362,551</u>	<u>490,367</u>	<u>495,402</u>	<u>409,615</u>	<u>417,219</u>

Central services (11-000-251-XXX) is used to record the business function and costs that support other administrative and instructional functions. The business function includes fiscal services, human resources, and purchasing. The salary for the chief business official and related expenditures are also included here.

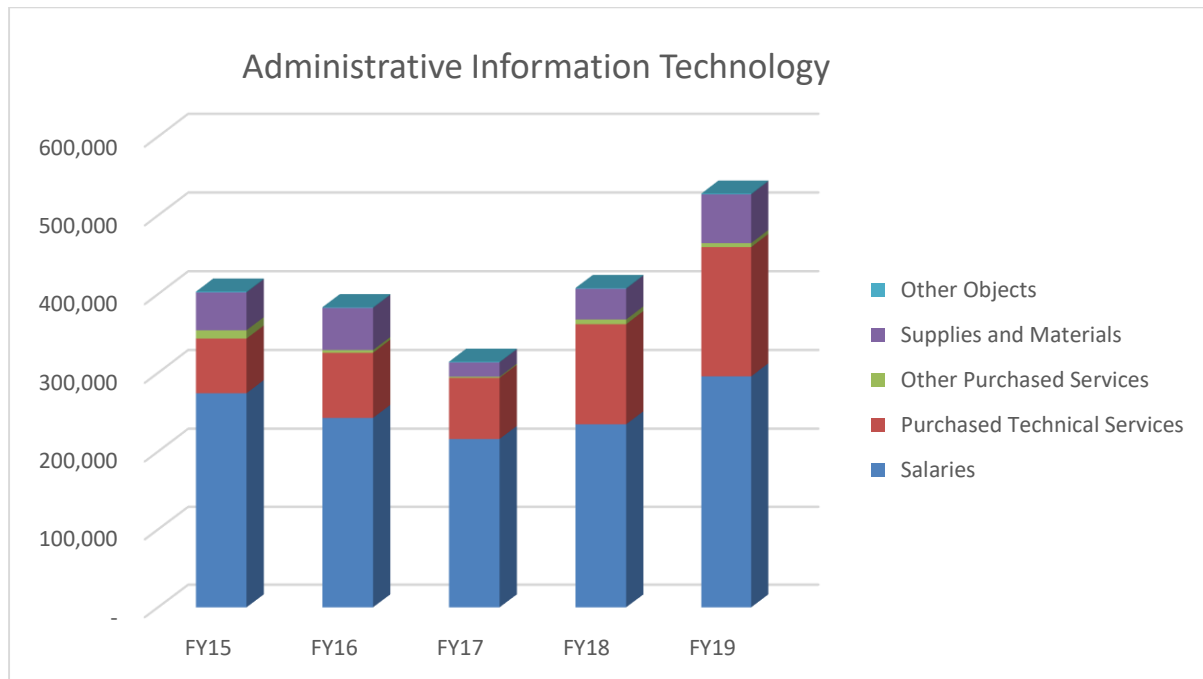


2018-2019 Budget

Administrative Information Technology

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Salaries	274,229	242,834	216,033	234,699	295,600
Purchased Technical Services	69,413	82,712	77,644	127,150	164,200
Other Purchased Services	10,530	3,391	1,437	6,000	5,000
Supplies and Materials	48,050	53,662	18,252	39,080	62,000
Other Objects	995	765	779	850	900
	403,217	383,364	314,145	407,779	527,700

Administrative Information Technology (11-000-252-XXX) is used to record activities that support the school District’s information technology systems, including maintaining and supporting administrative networks and information systems, and processing data for administrative and managerial purposes. These activities include costs associated with the supervision of technology personnel, systems planning and analysis, systems operation, network support services, and hardware and software support.

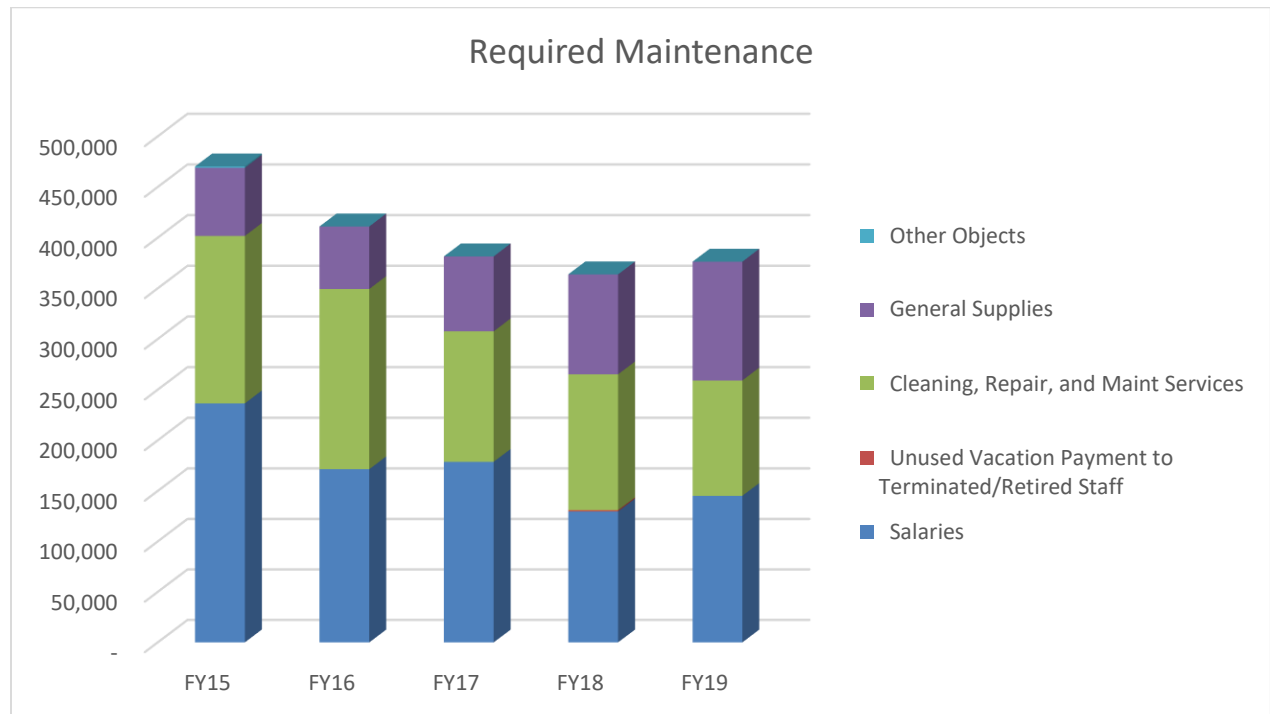


2018-2019 Budget

Required Maintenance for School Facilities

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Salaries	236,467	171,475	178,778	129,674	145,100
Unused Vacation Payment to Terminated/Retired Staff	-	-	-	1,345	-
Cleaning, Repair, and Maint Services	165,249	177,877	128,766	134,114	113,950
General Supplies	67,187	61,696	73,976	98,649	117,250
Other Objects	1,338	-	-	-	-
	470,241	411,048	381,520	363,782	376,300

Required Maintenance for School Facilities (11-000-261-XXX) is used to report the detailed appropriations for required maintenance of our District facilities and building systems. Required maintenance is defined as expenditures for specific maintenance activities required for system warranty purposes that are approved for repairs and replacements to keep a school facility open and safe for use or in its original condition.

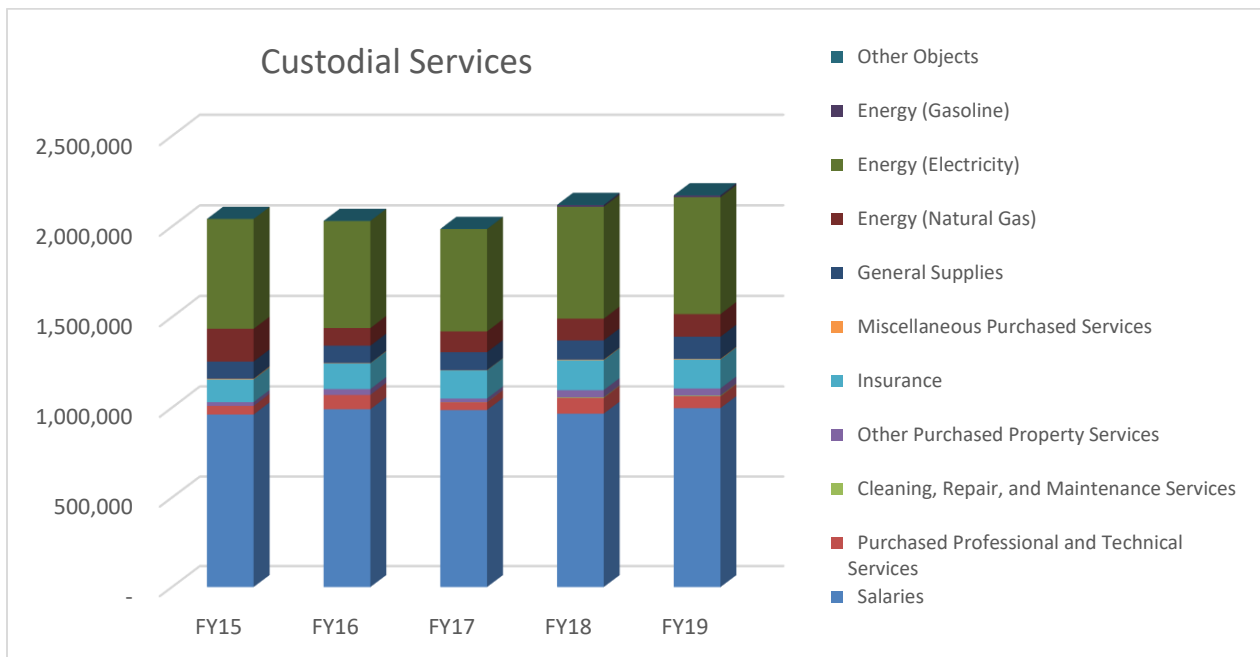


2018-2019 Budget

Custodial Services

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Salaries	962,441	991,058	987,014	967,077	997,400
Purchased Professional and Technical Services	47,443	79,252	42,743	86,765	65,545
Cleaning, Repair, and Maintenance Services	-	291	668	3,247	3,400
Other Purchased Property Services	20,671	32,270	19,833	39,909	39,500
Insurance	125,000	141,489	155,000	165,000	160,000
Miscellaneous Purchased Services	4,540	1,935	1,710	3,410	3,615
General Supplies	94,822	95,608	99,382	106,004	122,170
Energy (Natural Gas)	180,624	97,801	114,518	120,000	125,000
Energy (Electricity)	606,056	590,735	565,201	617,385	645,000
Energy (Gasoline)	-	-	-	9,780	10,200
Other Objects	300	525	555	775	800
	2,041,897	2,030,964	1,986,624	2,119,352	2,172,630

Custodial services (11-000-262-XXX) is used for expenditures for the daily upkeep of the facilities that would not otherwise be required to maintain its original condition over its useful life. This includes custodial services, routine maintenance and other operational costs.

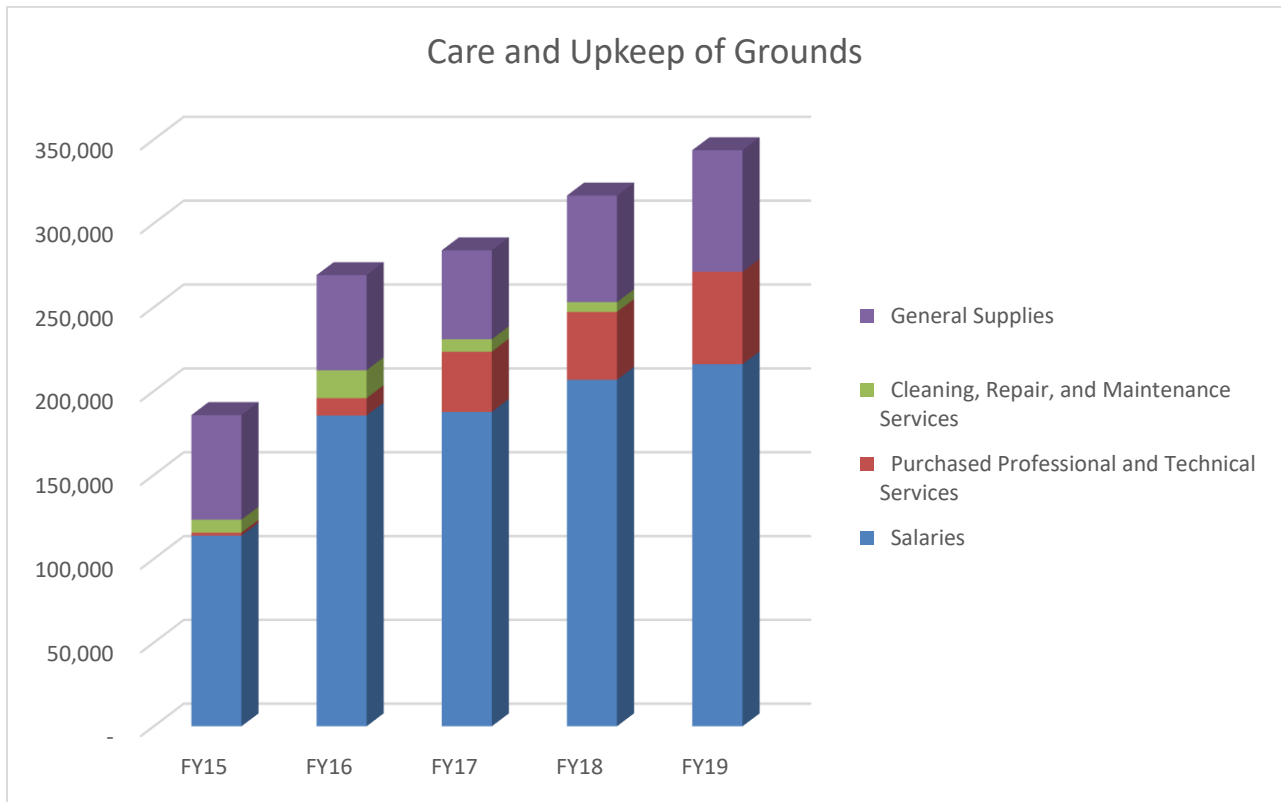


2018-2019 Budget

Care and Upkeep of Grounds

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Salaries	113,818	185,439	187,597	206,748	216,000
Purchased Professional and Technical Services	1,830	10,368	35,885	40,435	55,100
Cleaning, Repair, and Maintenance Services	7,699	16,613	7,429	5,840	-
General Supplies	62,331	56,715	52,977	63,515	72,500
	185,678	269,135	283,888	316,538	343,600

Care and Upkeep of Grounds (11-000-263-XXX) is used to record the activities of maintaining and improving the land, but not the buildings. These include snow removal, landscaping, and athletic field preparation and maintenance.

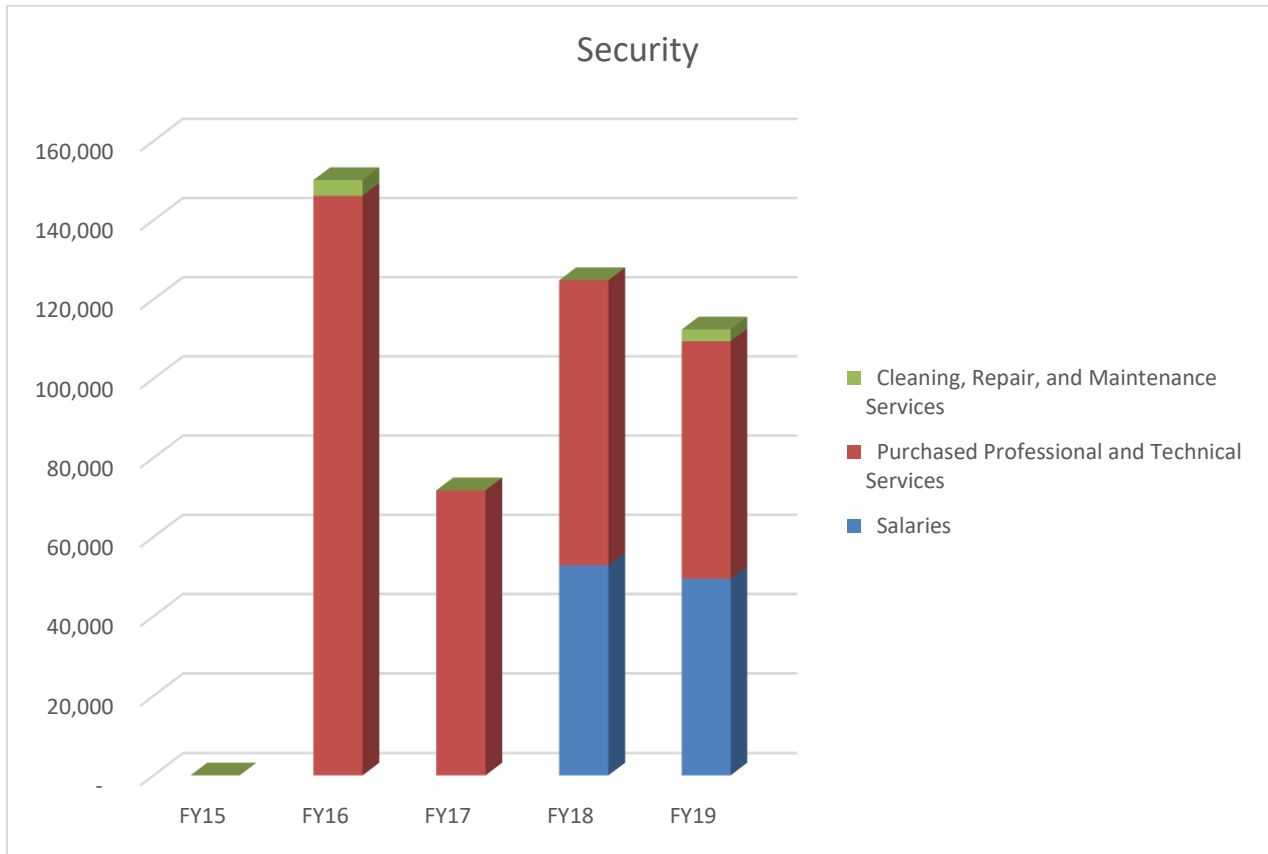


2018-2019 Budget

Security

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Salaries	-	-	-	52,843	49,400
Purchased Professional and Technical Services	-	146,141	71,778	72,000	60,000
Cleaning, Repair, and Maintenance Services	-	3,986	-	-	3,000
	-	150,127	71,778	124,843	112,400

Security (11-000-266-XXX) is used to record activities that maintain a secure environment for students, staff and visitors, whether in transit to or from school or on campus. Costs include the district resource officer, installation and maintenance of security monitoring devices and other related costs.



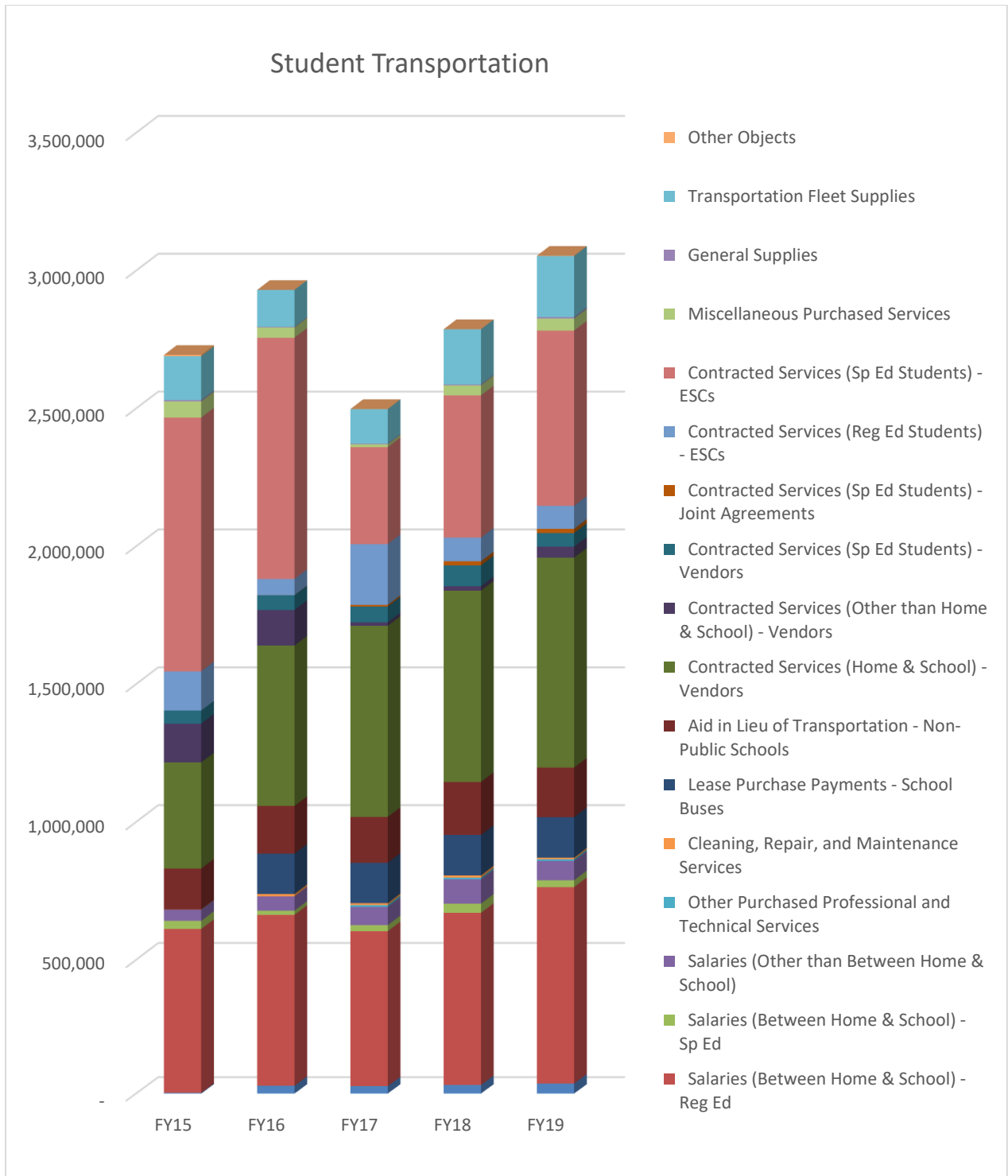
2018-2019 Budget

Student Transportation Services

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Salaries of Non-Instructional Aides	2,923	29,212	27,891	32,116	37,600
Salaries (Between Home & School) - Reg Ed	609,367	634,123	576,076	638,626	726,460
Salaries (Between Home & School) - Sp Ed	29,341	15,302	22,150	33,500	25,000
Salaries (Other than Between Home & School)	40,242	52,009	66,115	88,200	70,000
Other Purchased Professional and Technical Services	321	-	6,731	6,000	6,250
Cleaning, Repair, and Maintenance Services	589	8,358	6,807	8,250	5,750
Lease Purchase Payments - School Buses		146,625	146,625	146,626	146,626
Aid in Lieu of Transportation - Non-Public Schools	148,753	172,928	166,260	192,050	180,000
Contracted Services (Home & School) - Vendors	384,969	581,844	693,423	694,174	761,500
Contracted Services (Other than Home & School) - Vendors	140,569	128,935	12,374	15,800	39,900
Contracted Services (Sp Ed Students) - Vendors	47,672	53,555	57,261	75,723	49,500
Contracted Services (Sp Ed Students) - Joint Agreements		403	6,195	15,000	15,000
Contracted Services (Reg Ed Students) - ESCs	142,006	58,518	220,236	85,790	83,500
Contracted Services (Sp Ed Students) - ESCs	920,528	874,991	351,955	515,900	635,600
Miscellaneous Purchased Services	58,773	37,326	10,175	36,742	43,800
General Supplies	4,528	2,234	2,717	3,000	5,250
Transportation Fleet Supplies	159,289	134,066	124,930	200,006	221,575
Other Objects	4,574	-	286	500	1,000
	<u>2,694,444</u>	<u>2,930,429</u>	<u>2,498,207</u>	<u>2,788,003</u>	<u>3,054,311</u>

Student Transportation services (11-000-270-XXX) is used to record the costs associated with conveying students between home and school, and from school to other school related activities. This function includes the supervision of student transportation services as well as vehicle servicing and maintenance. Fuel costs specific to student transportation are recorded within fleet supplies at the object level. This classification changed in FY15 as prior these costs were recorded in custodial services.

2018-2019 Budget

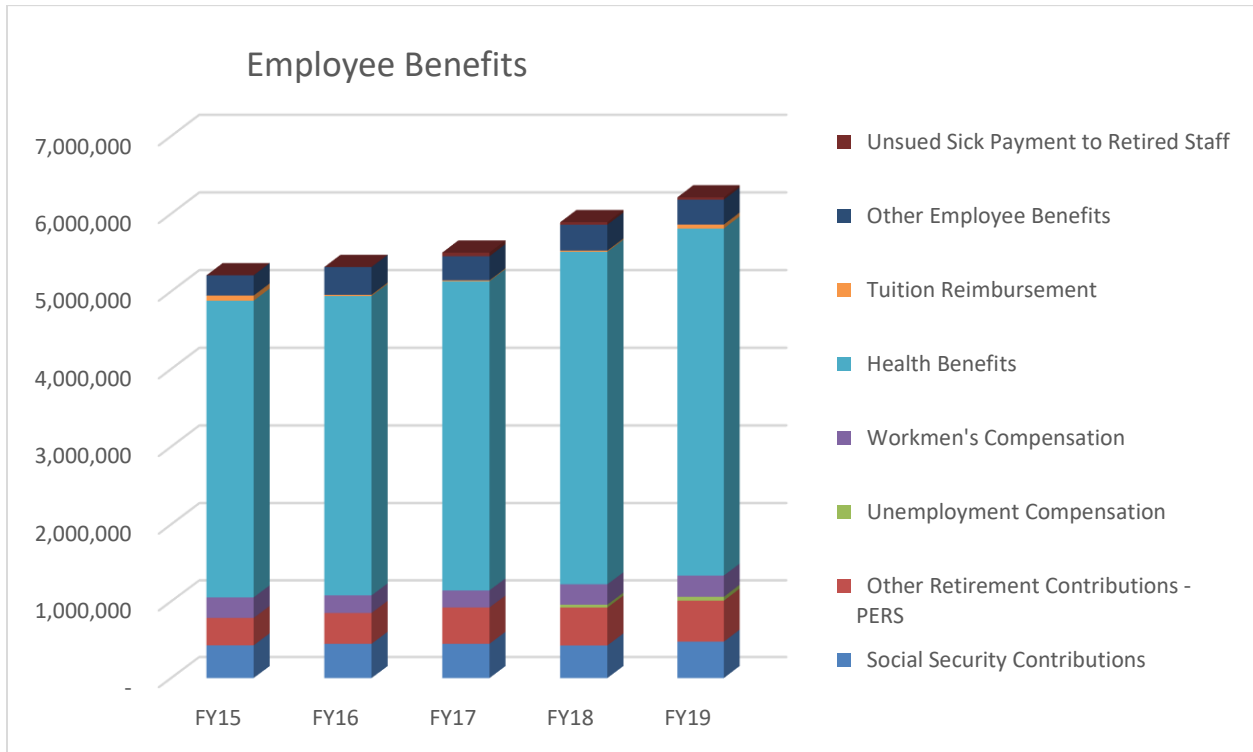


2018-2019 Budget

Personal Services – Employee Benefits

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Social Security Contributions	426,826	446,118	447,225	425,261	475,000
Other Retirement Contributions - PERS	357,459	403,180	473,212	494,744	535,000
Unemployment Compensation	-	-	-	36,861	50,000
Workmen's Compensation	268,215	229,207	222,924	267,000	277,000
Health Benefits	3,827,720	3,862,419	3,988,047	4,286,787	4,473,050
Tuition Reimbursement	66,387	15,312	11,489	14,549	50,000
Other Employee Benefits	261,123	358,353	310,004	334,255	321,435
Unused Sick Payment to Retired Staff	-	-	47,160	32,000	30,000
	5,207,730	5,314,589	5,500,061	5,891,457	6,211,485

Personal services – Employee Benefits (11-XXX-XXX-2XX) is used to report the employee benefits for district staff whose salaries are reported in the general fund.



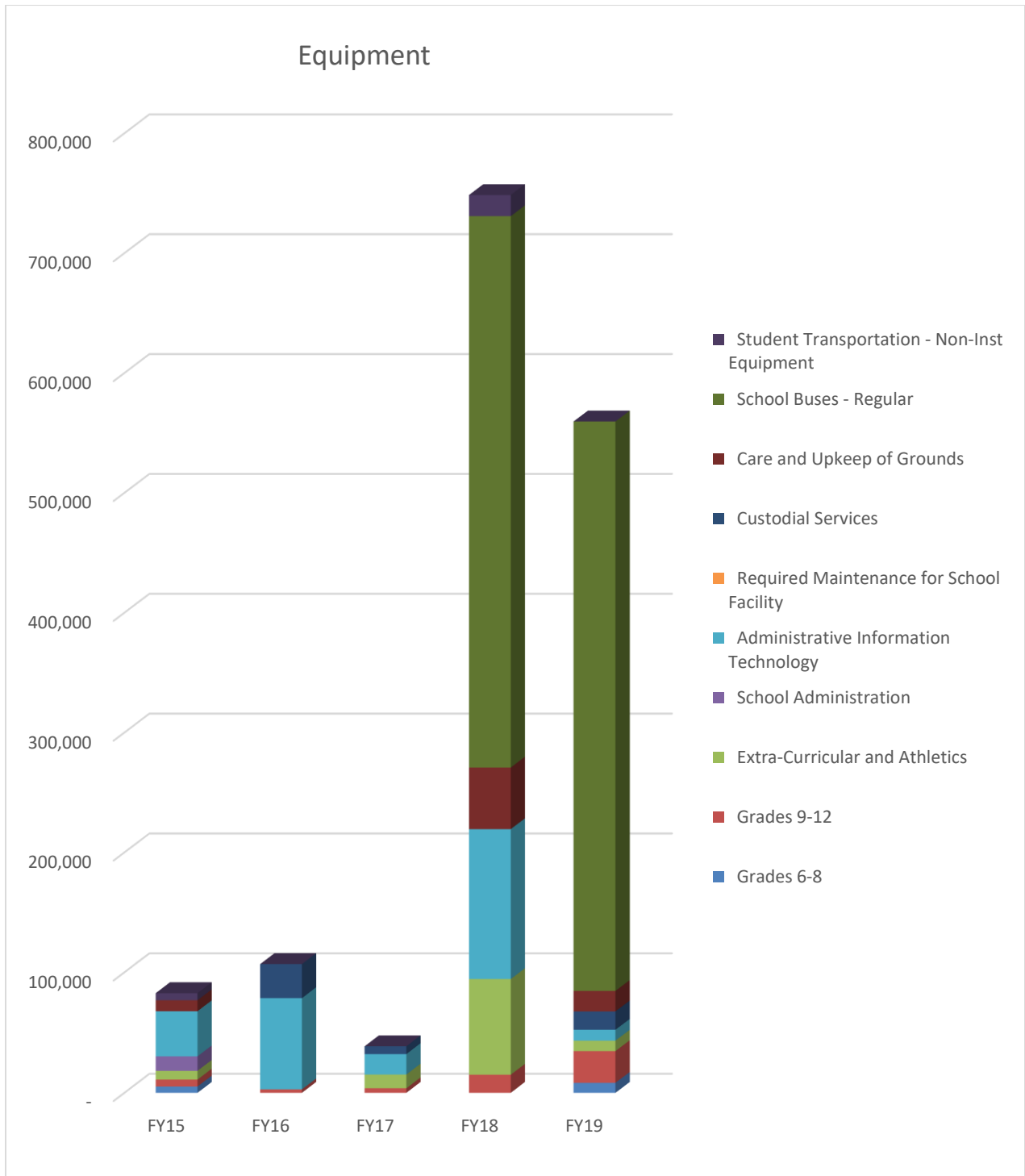
2018-2019 Budget

Equipment

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Grades 6-8	5,240	-	-	-	8,300
Grades 9-12	5,725	2,848	3,733	15,000	26,300
Extra-Curricular and Athletics	7,281	-	11,407	79,400	8,700
Related & Extraordinary Services	-	-	-	-	3,000
School Administration	12,020	-	-	-	-
Administrative Information Technology	37,423	75,705	16,998	125,000	9,000
Required Maintenance for School Facility	-	-	-	-	-
Custodial Services	-	28,272	6,447	-	15,250
Care and Upkeep of Grounds	9,099	-	-	51,440	17,000
Security	-	-	-	-	250,000
School Buses - Regular	-	-	-	460,000	475,000
Student Transportation - Non-Inst Equipment	5,936	-	-	17,630	-
	82,724	106,825	38,585	748,470	812,550

Equipment (12-XXX-XXX-73X) items are any instrument, machine, apparatus, or set of articles (including software) which meets all of the following criteria: Retains its original shape, appearance, and character with use; does not lose its identity through fabrication or incorporation into a more complex unit; it is non-expendable, that is, if the item is damaged it is more feasible to repair the item than replace it; under normal conditions of use it can be expected to serve its purpose for at least one year. The capitalization threshold has been set at \$2,000 for financial reporting purposes.

2018-2019 Budget

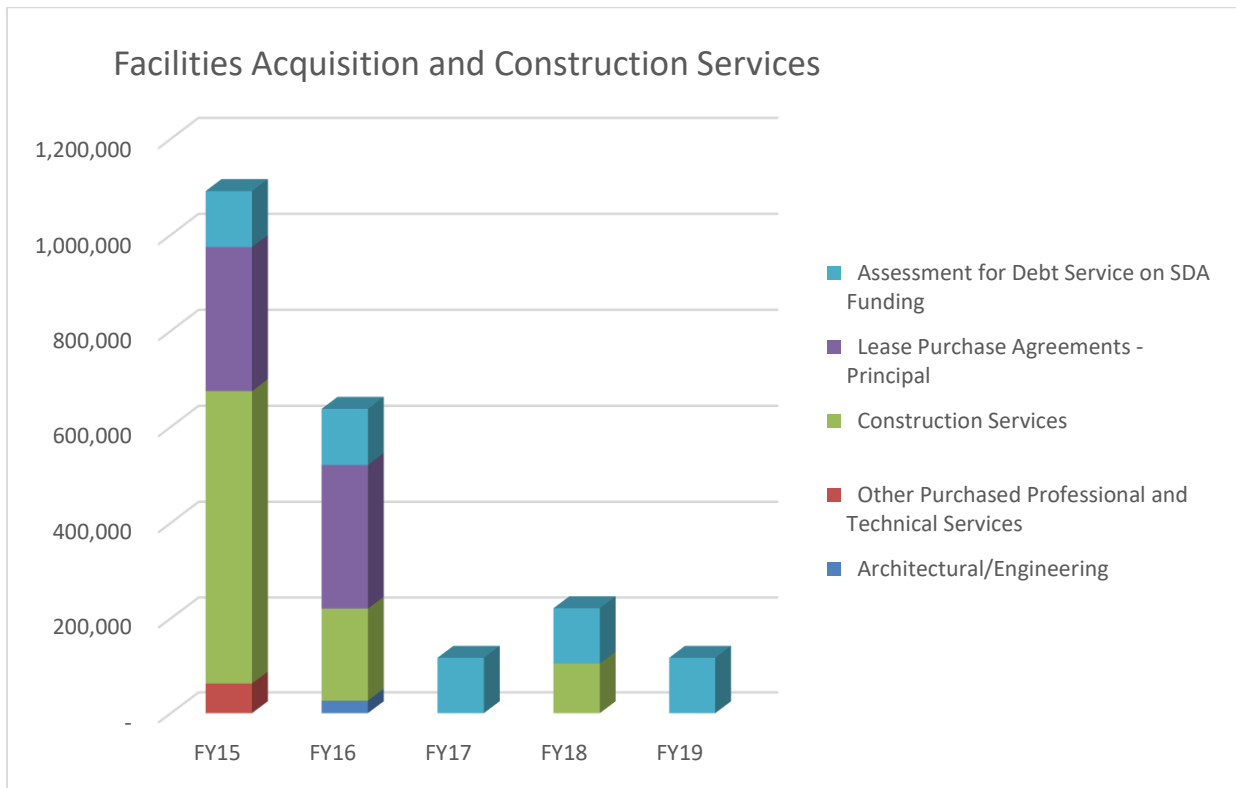


2018-2019 Budget

Facilities Acquisition and Construction Services

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Architectural/Engineering	-	26,363	-	-	-
Other Purchased Professional and Technical Services	62,580	-	-	-	-
Construction Services	611,901	194,313	-	104,650	-
Lease Purchase Agreements - Principal	300,000	300,000	-	-	-
Assessment for Debt Service on SDA Funding	116,737	116,737	116,737	116,737	116,737
	1,091,218	637,413	116,737	221,387	116,737

Facilities Acquisition and Construction services (12-000-400-XXX) is used to record activities funded by current revenues concerned with acquiring land and buildings, remodeling buildings, constructing buildings and additions, and improving sites. The capital projects fund (Fund 30) accounts for major capital facility improvements where the source of revenue would be the sale of bonds, grants, or transfers from the general fund to augment the grant.



2018-2019 Budget

Increase in Capital Reserve

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Interest Deposit to Capital Reserve	-	-	-	100	1,000
Increase in Capital Reserve	-	-	1,000,000	281,285	-
	-	-	1,000,000	281,385	1,000

Capital Reserve Account Balance

	FY15	FY16	FY17	FY18	FY19
Beginning Balance at July 1	500,100	500,100	13,600	1,013,600	1,294,985
Increase in Capital Reserve	-	-	1,000,000	281,385	1,000
Withdrawal from Capital Reserve	-	(486,500)	-	-	-
Ending Balance at June 30	500,100	13,600	1,013,600	1,294,985	1,295,985

Increase in Capital Reserve (10-604) is used to record a budgeted increase in the capital reserve account to help finance the local share of the District's Long Range Facilities Plan (LRFP.) Investment income is listed separately at the object level.

2018-2019 Budget

Transfer of Funds to Charter Schools

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Charter School Tuition	-	-	8,833	3,733	-
	-	-	8,833	3,733	-

Transfer of Funds to Charter Schools (10-000-100-56X) is used to record the estimated payment of District general fund revenues related to resident students projected to attend a charter school. The amount recorded is provided by the Department of Education and includes the projected per pupil regular education spending and special education amounts for those pupils.

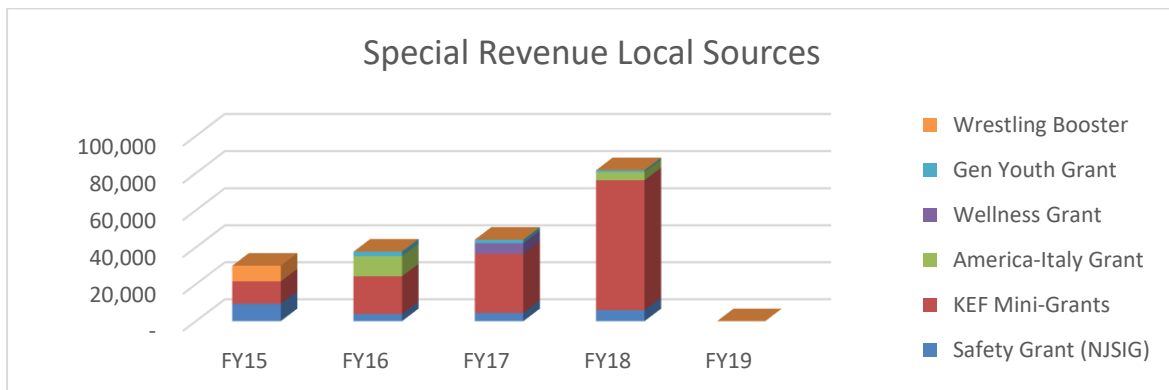
2018-2019 Budget

Special Revenue Fund Appropriations by Program

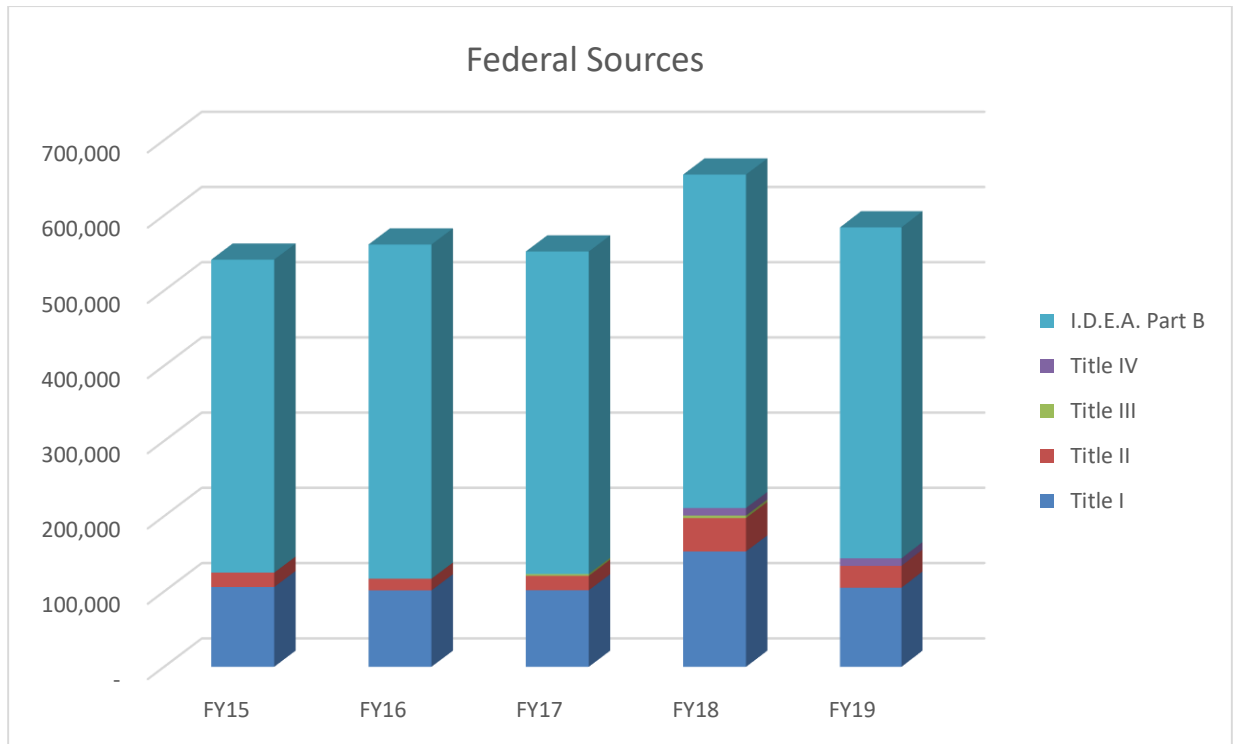
Local Sources	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Safety Grant (NJSIG)	9,436	3,914	4,452	5,996	-
KEF Mini-Grants	12,130	20,398	32,001	70,181	-
America-Italy Grant	-	10,872	-	4,400	-
Wellness Grant	-	-	5,747	-	-
Gen Youth Grant	-	2,475	1,909	1,000	-
Wrestling Booster	8,500	-	-	-	-
	30,066	37,659	44,109	81,577	-

Federal Sources	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Title I	105,858	101,415	101,569	153,109	105,000
Title II	19,129	15,499	19,157	44,343	29,000
Title III	-	-	2,475	3,300	-
Title IV	-	-	-	10,000	10,000
I.D.E.A. Part B	416,112	444,313	428,663	443,417	440,000
	541,099	561,227	551,864	654,169	584,000

The Special Revenue Fund (20-XXX-XXX-XXX) accounts for proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Some examples of special revenue funds might include restricted federal grants in aid and local donations. These funds are additionally grouped by local, state and federal sources.



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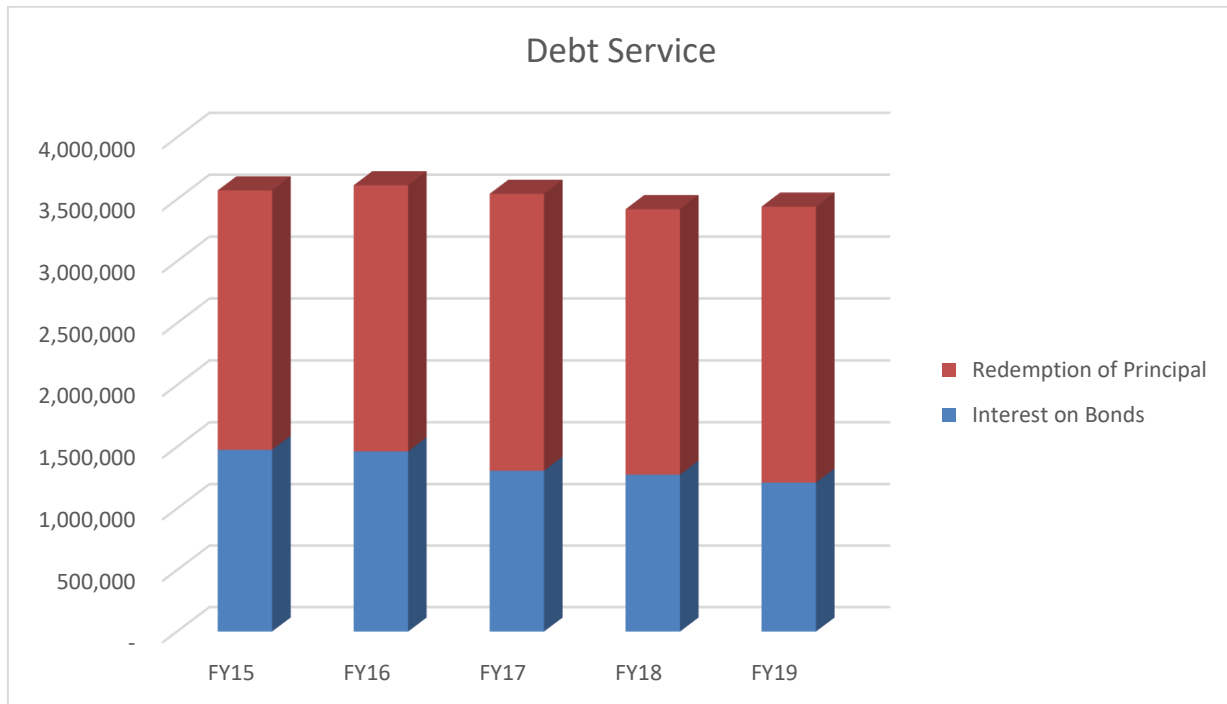


2018-2019 Budget

Debt Service Fund Appropriations at Object Level

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
Interest on Bonds	1,477,255	1,463,916	1,308,498	1,275,822	1,211,422
Redemption of Principal	2,095,000	2,150,000	2,236,118	2,145,000	2,230,000
	3,572,255	3,613,916	3,544,616	3,420,822	3,441,422

The Debt Service Fund (40-XXX-XXX-XXX) accounts for the principal and interest payments on outstanding long-term debt. The source of revenue in this fund would be state aid, debt service tax levy, and transfers from capital projects after completion of the original purpose or transfers from general fund capital reserve.



2018-2019 Budget

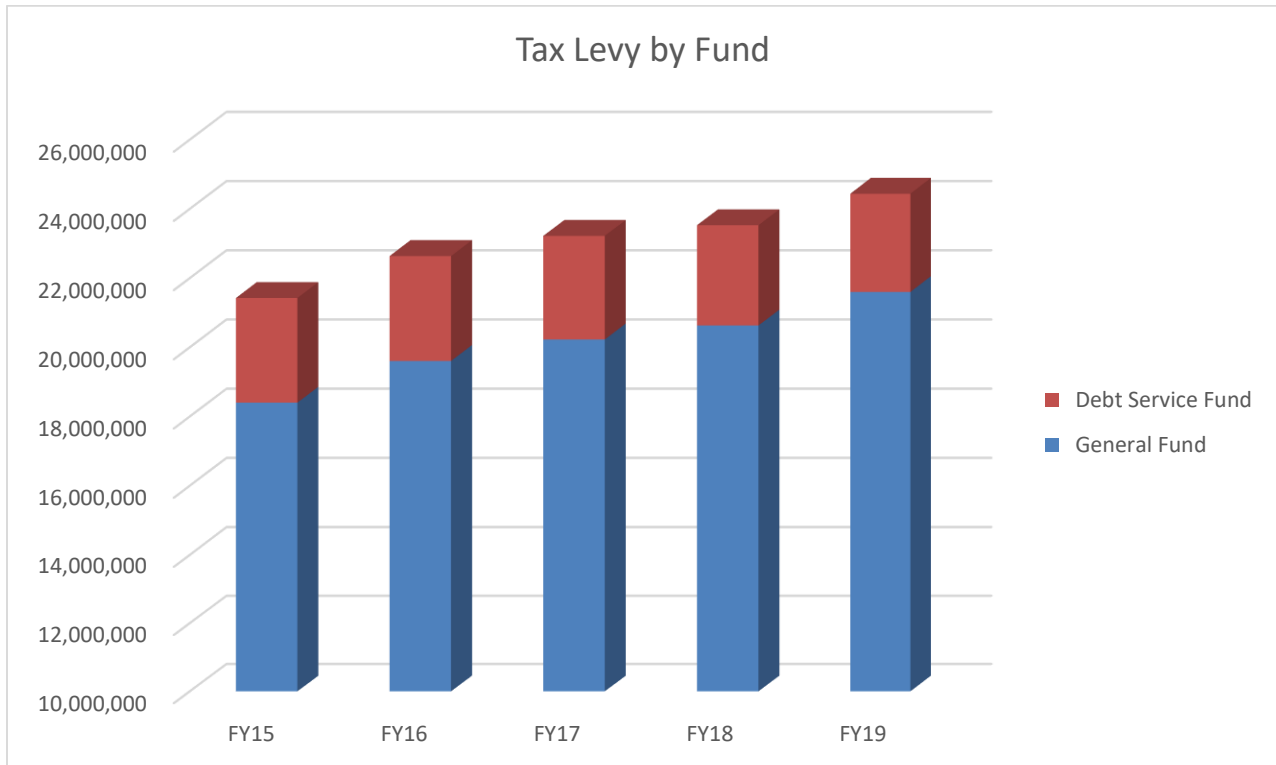
Informational Section

2018-2019 Budget

Tax Levy Analysis

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
General Fund	18,400,237	19,605,356	20,226,031	20,630,552	21,597,639
Debt Service Fund	3,024,851	3,031,482	2,993,976	2,896,054	2,839,575
Total Tax Levy	21,425,088	22,636,838	23,220,007	23,526,606	24,437,214

The general fund tax levy has increased 14%, or \$3,012,126 since FY15. This increase can be directly attributed to the failure of the State of New Jersey to fund Kingsway according to the School Funding Reform Act (SFRA) of 2008. If fully funded in FY19, Kingsway Regional would receive an additional \$10.14 million from the State of New Jersey thereby negating the need to increase the local tax levy.



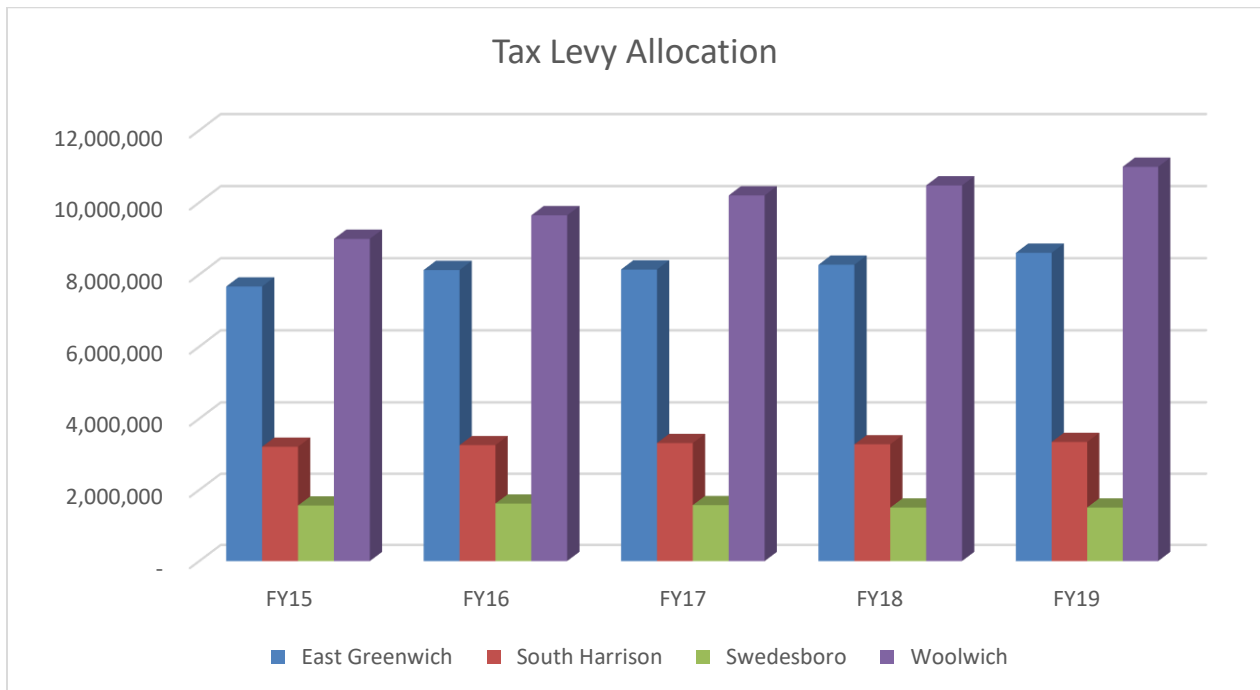
2018-2019 Budget

Tax Levy Allocation

	Actual			Revised	Proposed
	FY15	FY16	FY17	FY18	FY19
East Greenwich	7,666,136	8,123,897	8,137,602	8,270,854	8,601,154
South Harrison	3,212,136	3,256,290	3,316,426	3,280,397	3,344,618
Swedesboro	1,560,059	1,614,466	1,572,325	1,502,991	1,504,594
Woolwich	8,986,757	9,642,185	10,193,654	10,472,364	10,986,848
Total Tax Levy	21,425,088	22,636,838	23,220,007	23,526,606	24,437,214

As a regional school district, tax rates deviate on a municipality by municipality basis. There are several variables considered by the State of NJ when allocating the tax burden to each municipality. They are:

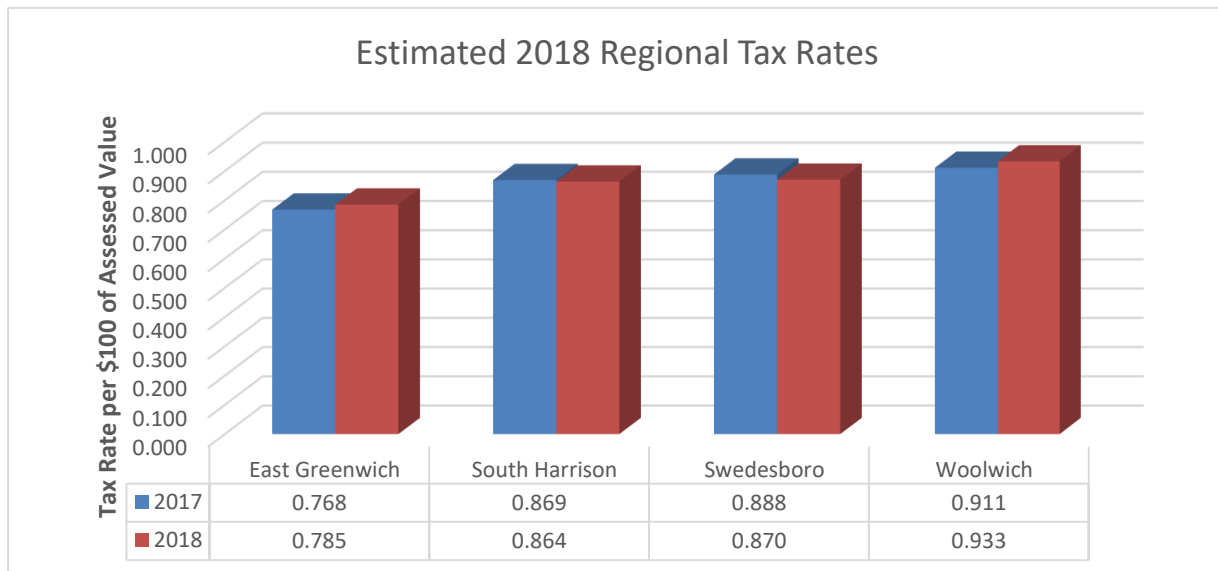
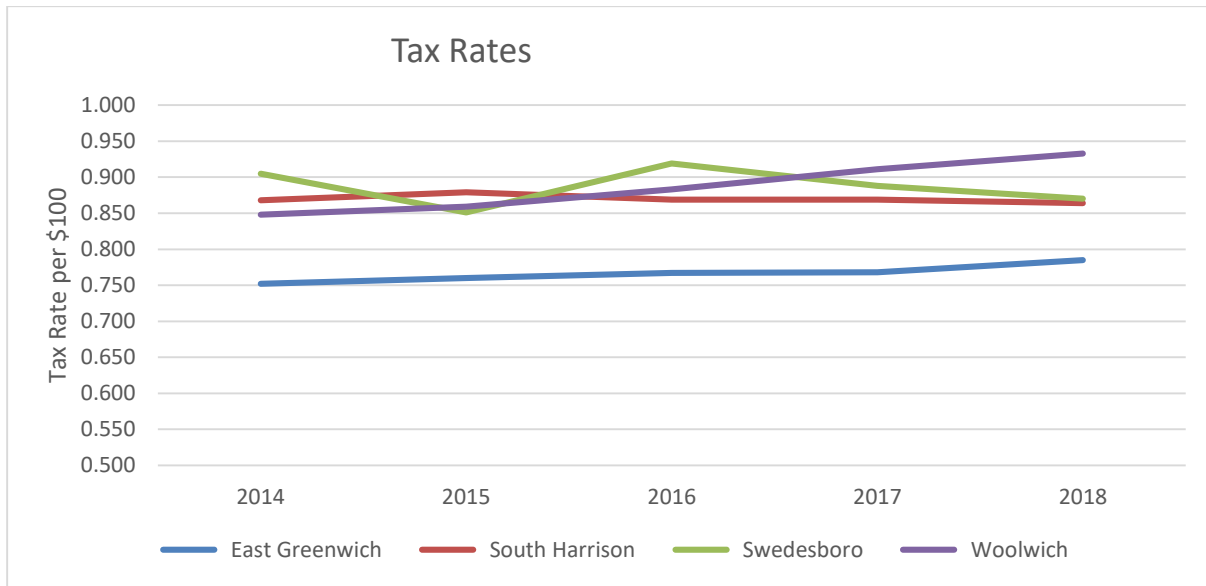
1. Equalized Value (EV) – Common basis of property valuation for comparative purposes
2. Total Enrollment – Elementary vs. regional school district enrollment by town
3. Distribution of EV – EV is split on basis of elementary and regional enrollment



2018-2019 Budget

Regional School Tax Rates

	2014	2015	2016	2017	2018
East Greenwich	0.752	0.760	0.767	0.768	0.785
South Harrison	0.868	0.879	0.869	0.869	0.864
Swedesboro	0.905	0.851	0.919	0.888	0.870
Woolwich	0.848	0.859	0.883	0.911	0.933

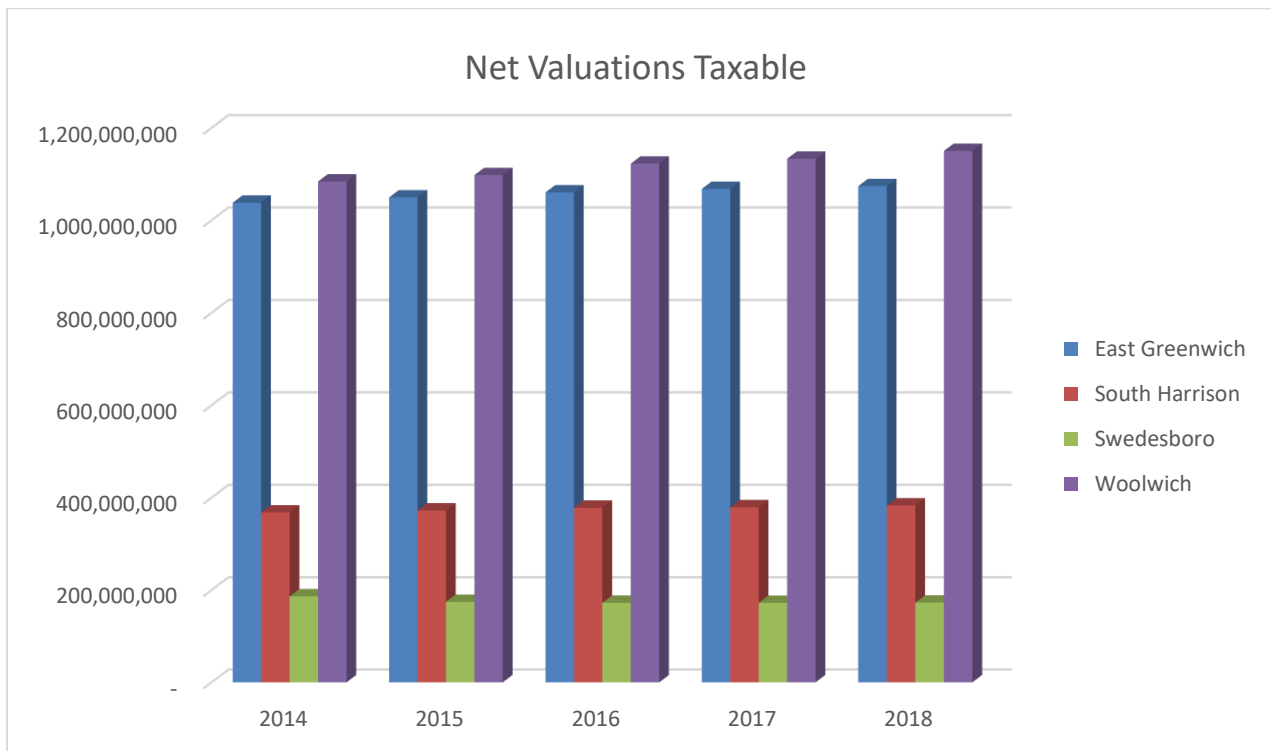


2018-2019 Budget

Net Valuation Taxable

	2014	2015	2016	2017	2018
East Greenwich	1,038,264,342	1,049,841,385	1,060,518,500	1,068,250,300	1,074,152,700
South Harrison	368,089,558	372,384,525	378,324,352	379,454,625	383,385,700
Swedesboro	186,448,059	174,478,801	172,468,500	172,331,900	172,856,900
Woolwich	1,084,166,962	1,097,995,392	1,122,915,247	1,133,399,244	1,150,342,410

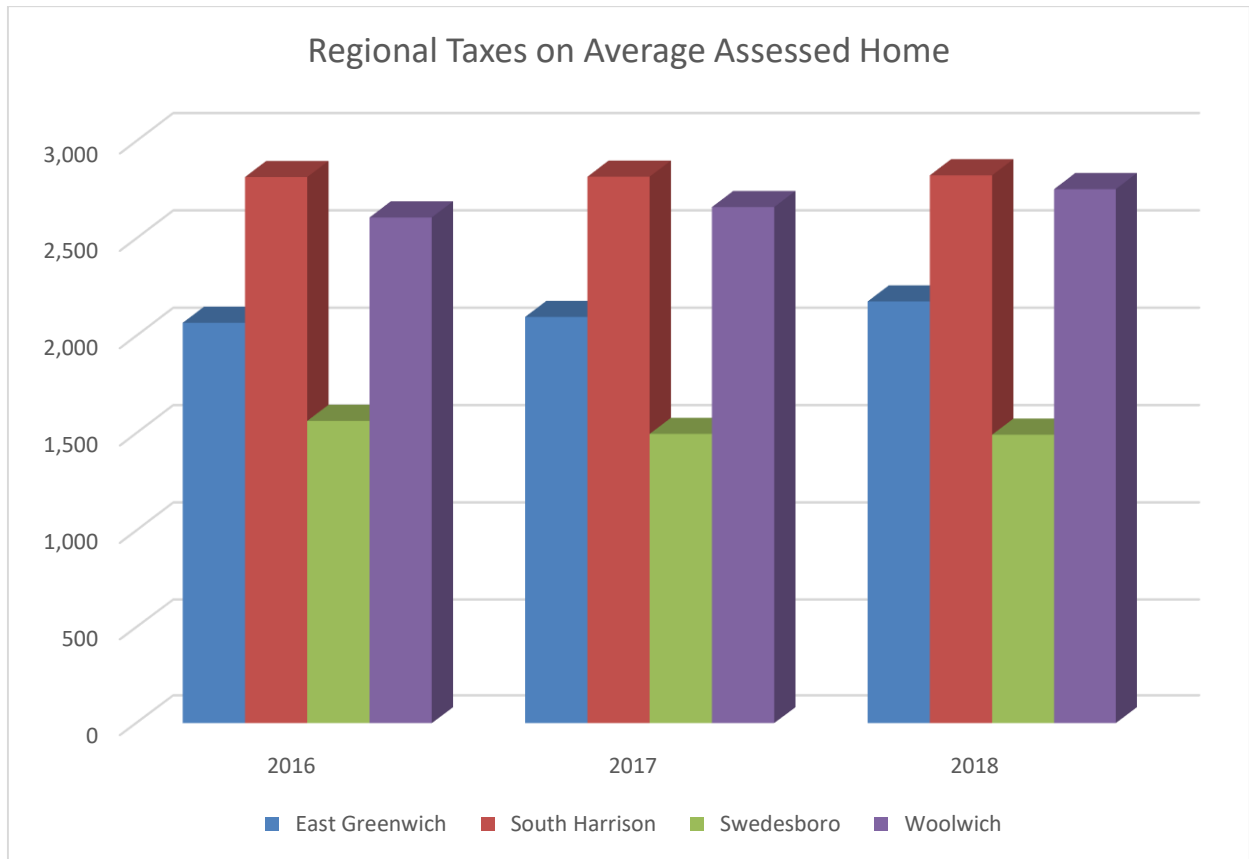
In addition to the municipal percentage shares, the net valuations taxable (NVT) of each town will have an impact on the individual town's tax rates as well. The following charts depict the variances in NVT and tax rates for a five (5) year period:



2018-2019 Budget

Annual Regional School Taxes on Average Assessed Home Values

	2016	2017	2018
East Greenwich	2,068	2,098	2,177
South Harrison	2,816	2,818	2,825
Swedesboro	1,564	1,497	1,493
Woolwich	2,609	2,662	2,754

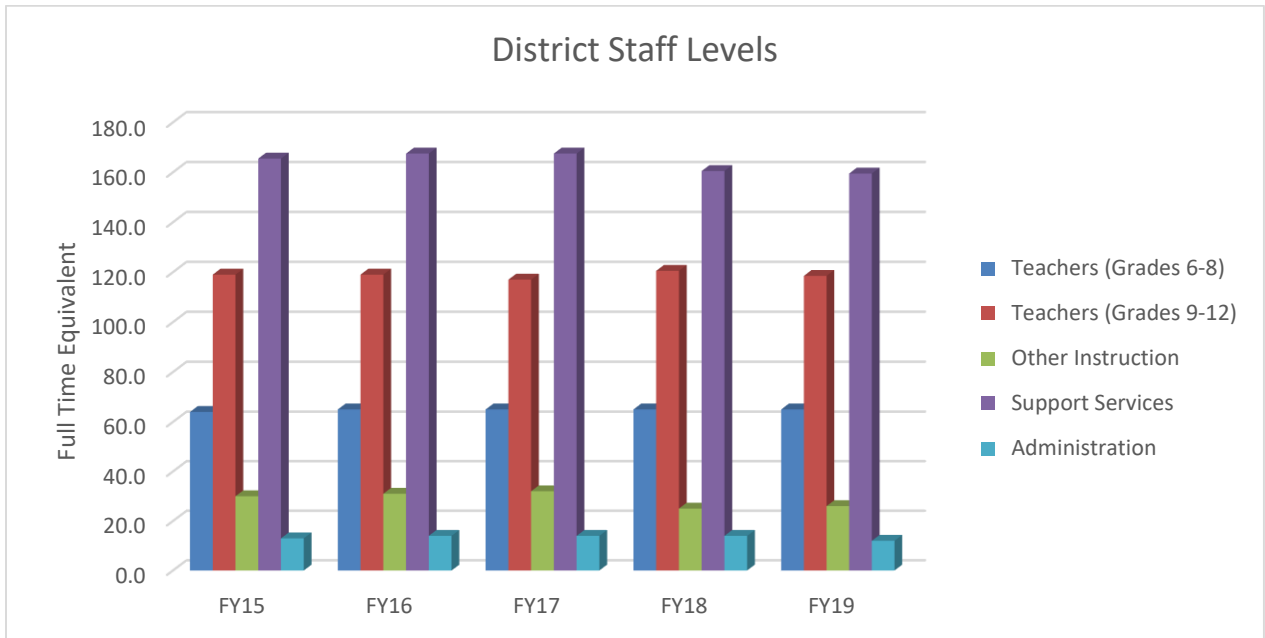


2018-2019 Budget

Staffing Levels

Full Time Equivalent Positions	Actual			Current	Proposed
	FY15	FY16	FY17	FY18	FY19
Teachers (Grades 6-8)	64.0	65.0	65.0	65.0	65.0
Teachers (Grades 9-12)	119.0	119.0	117.0	120.5	118.5
Other Instruction	30.0	31.0	32.0	25.0	26.0
Support Services	165.5	167.5	167.5	160.5	159.5
Administration	13.0	14.0	14.0	14.0	12.0
	391.5	396.5	395.5	385.0	381.0

Due to the nature of our industry, more than 72% of our budget consists of employee compensation and benefits. Total compensation is projected at \$19,825,755 for FY19 with another \$6,193,035 for employee benefits. Compensation totals nearly 55% of our total operating budget while employee benefits total 17%. The tentative budget reflects a reduction of 4.0 FTE positions from FY18.



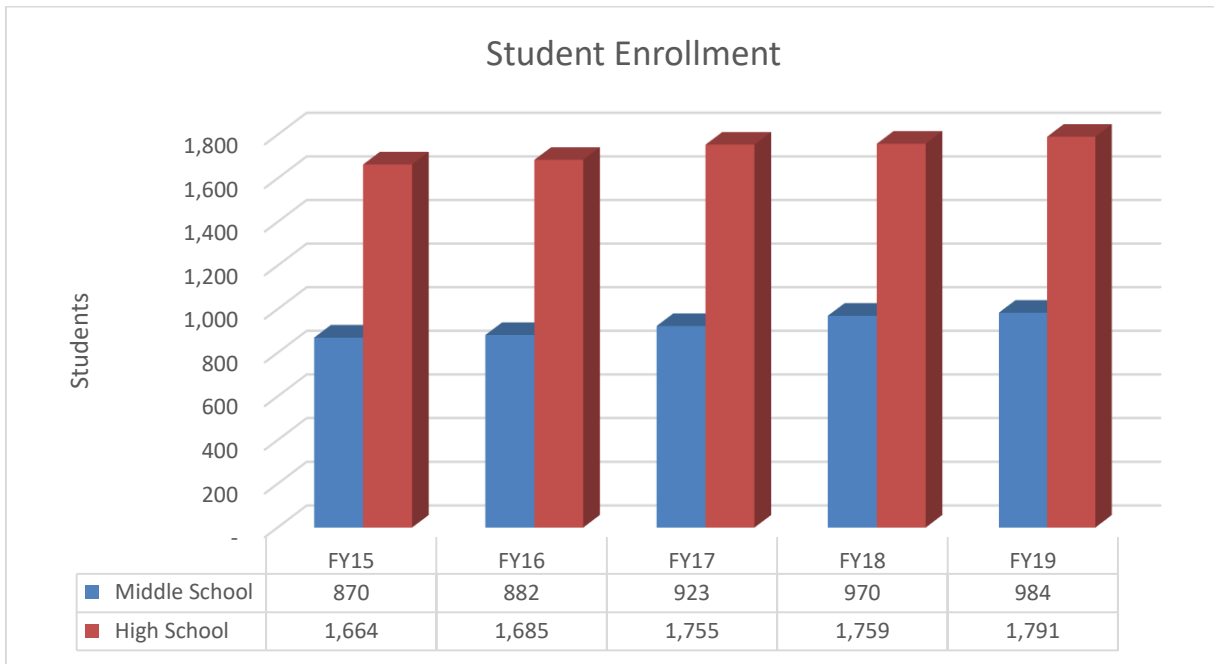
2018-2019 Budget

Student Enrollment

	Actual			Current	Projected
	FY15	FY16	FY17	FY18	FY19
Middle School	870	882	923	970	984
High School	1,664	1,685	1,755	1,759	1,791
	<u>2,534</u>	<u>2,567</u>	<u>2,678</u>	<u>2,729</u>	<u>2,775</u>

Kingsway Regional continues to contend with the effects of significant and rapid enrollment increases that occurred over the last decade. Although enrollment increases were largely the result of a booming housing market in our region, the elementary students who arrived in one of our sending districts continue to advance toward Kingsway. Thus, enrollment increases will continue despite fewer housing starts when compared to the peak in 2008.

By September 2018, the middle school can expect an enrollment increase of nearly 1.4% to 981 7th and 8th grade students. The high school anticipates an increase of 1.81% to 1,792 9th to 12th grade students for the 2018-2019 school year. In total, enrollment is expected to increase by 46 students, or 1.7%



2018-2019 Budget

Long-Term Debt

	Actual			Revised FY18	Projected FY19
	FY15	FY16	FY17		
2006 Refunding Bonds	8,775,000	8,750,000	-	-	-
2012 Bonds	20,759,000	20,084,000	19,409,000	18,709,000	17,999,000
2012 Refunding Bonds	5,300,000	4,740,000	4,185,000	3,640,000	3,005,000
2014 Refunding Bonds	8,720,000	7,830,000	6,970,000	6,070,000	5,185,000
2016 Refunding Bonds	-	-	8,170,000	8,170,000	8,170,000
	43,554,000	41,404,000	38,734,000	36,589,000	34,359,000

The District currently has four (4) outstanding bond issues. The majority of the outstanding balance can be attributed to the bonds issued in 2012 following the referendum passed in 2011 for additions and renovations to the existing middle and high schools. The 2012 and 2014 refunding bonds will retire in 2024, followed by the 2006 refunding bonds that will retire in 2031. The 2012 bonds will not retire until 2037 per its twenty-five-year amortization schedule.

