

**KINGSWAY REGIONAL SCHOOL DISTRICT**

Woolwich Township, New Jersey  
County of Gloucester

**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**



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

Annual Comprehensive Financial Report  
For the Fiscal Year Ended June 30, 2023



Prepared by: Jason Schimpf  
School Business Administrator/  
Board Secretary



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**INTRODUCTORY SECTION**

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# KINGSWAY REGIONAL SCHOOL DISTRICT

*Committed to Excellence*

*Dr. James J. Lavender, ext. 4205  
Superintendent of Schools*

*Mr. Jason Schimpf, ext. 4203  
School Business Administrator*

January 8, 2024

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

Dear Board Members:

The Annual Comprehensive Financial Report (“ACFR”) of the Kingsway Regional School District (hereinafter, the “District”) for the fiscal year ended June 30, 2023, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (“Board”). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District at June 30, 2023. All disclosures necessary to enable the reader to gain an understanding of the District’s financial activities have been included.

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District’s organizational chart and a list of principal officials. The financial section includes the basic financial statements and schedules, as well as the auditor’s report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the requirements of the Uniform Guidance and New Jersey OMB’s Circular 15-08. Information related to this single audit, including the auditor’s report on the internal control structure and compliance with applicable laws and regulations, findings, and recommendations, are included in the single audit section of this report.

## **Reporting Entity**

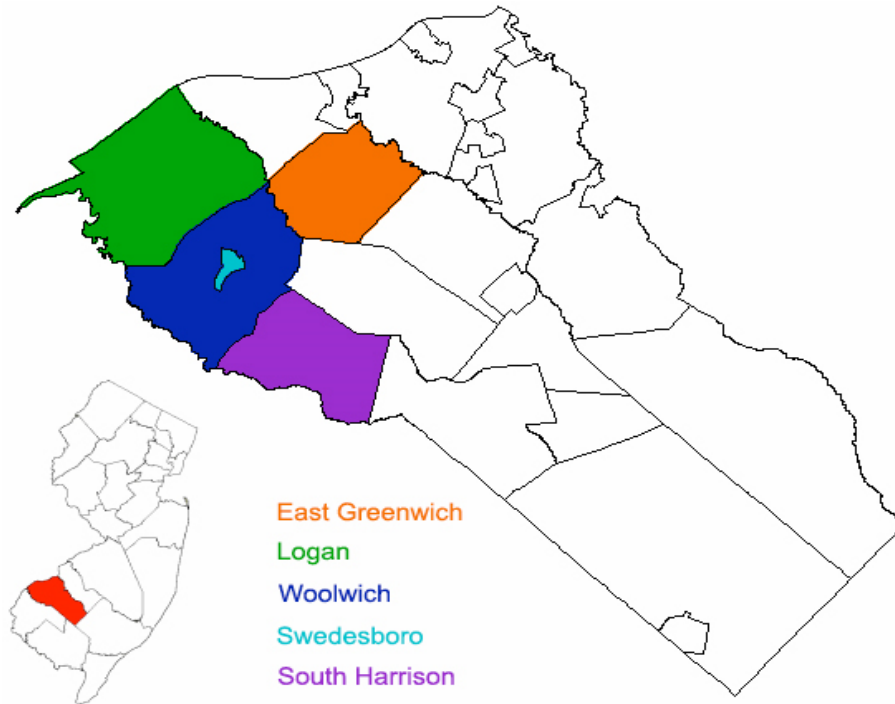
The Kingsway Regional School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (“GASB”) as established by Statement No. 39. All funds and the government-wide financial statements of the District are included within

*Home of the Dragons*

this report. The Kingsway Regional School District Board of Education and its Middle and High Schools constitute the District’s reporting entity.

**School District Organization**

The Kingsway Regional School District is one of twenty-nine (29) public school districts within Gloucester County. The District provides a full range of educational services appropriate to grade levels 7 through 12. An elected nine-member Board of Education (“Board”), along with a representative from the Logan Township School District, serves as the policy-making entity for the School District. Geographically, the District is situated in predominately rural/suburban areas, with more than 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, students from Logan Township attend Kingsway Regional High School through a send/receive relationship as paid tuition students.



The District completed the 2022-2023 fiscal year with an Average Daily Enrollment (“ADE”) of 2,874.8 students. The following chart details the changes in the ADE of the District over the last five years:

Average Daily Enrollment

| <u>Fiscal Year</u> | <u>Student Enrollment</u> | <u>Percent Change</u> |
|--------------------|---------------------------|-----------------------|
| 2022-23            | 2,874.8                   | +3.13%                |
| 2021-22            | 2,784.8                   | - 0.29%               |
| 2020-21            | 2,792.8                   | - 0.03%               |
| 2019-20            | 2,793.6                   | + 3.12%               |
| 2018-19            | 2,706.4                   | + 0.01%               |

**Economic Condition and Outlook**

Fiscal Year 2019 (FY19) was the first step of Kingsway Regional’s journey towards full and equitable state funding. The District was fortunate to have a core group of passionate community members that worked tirelessly to ensure that Kingsway received its fair share of state aid. The passage of bill S2 in July of 2018 modified the school funding law by eliminating adjustment aid and the state aid growth limit, thereby allowing for a fair redistribution of state aid that will bring all New Jersey school districts to 100% of SFRA funding over the course of seven years. By FY25, Kingsway should receive its full share of uncapped state aid, an increase of nearly \$12.5 million over those seven years from S2 passage.

In FY19, Kingsway received an additional \$2.129 million in state aid. This additional aid allowed the district to add 20.5 additional positions including 13.0 instructional and 7.5 support service.

In FY20, Kingsway received an additional \$1.152 million in state aid. This additional state aid allowed for the hiring of 12.5 additional teaching positions and assisted in getting the high school stadium renovation project completed.

In FY21, Kingsway was slated to receive an additional \$2.149 million in state aid, but was subsequently reduced to an increase of \$683,172 due to the economic downturn related to COVID. This additional aid allowed for the hiring of an additional 2 teaching positions and a Director of Virtual Programs.

In FY22, the Kingsway received an additional \$3.386 million in state formula aid. This additional aid allowed for the hiring of an additional 19 full time equivalent positions including 13.5 instructional and 5.5 support service positions.

In FY23, the District received an additional \$3.303 million in state formula aid. That budget included the creation of 9.0 new full time equivalent positions. 4.0 teaching positions, 2.0 administrative positions, and 3.0 support service positions.



In FY24, Kingsway will receive an additional \$2.551 million in additional formula aid. This budget includes the addition of 3.0 full time equivalent positions. 1.0 NJROTC Instructor, and 2.0 paraprofessionals.

This additional state aid continues to pave our financial path towards full funding, allowing our district to fully implement the measures necessary to provide our students with the best possible educational opportunities to ensure they are equipped with the knowledge, skills and experience to succeed in an evolving global society.

With the passage of S2 and the Governor’s pledge for the state of NJ to fully fund the state aid formula, the district can more accurately predict future revenues and dedicate funds to priority initiatives. FY19 laid the groundwork for the districts seven-year path towards full funding while finally restoring long-term fiscal sustainability.

**Internal Accounting and Budgetary Control**

Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted within the United States. The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. As a recipient of federal and state awards, the District is also responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws and regulations related to those programs. The internal control system is also subject to periodic evaluation by the District management.

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

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

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



## **IT Accounting System and Reports**

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

## **Cash Management**

The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements," Note 2. The district has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the act.

## **Risk Management**

The Board carries various forms of insurance, including but not limited to, general liability, automobile liability and comprehensive/collision, hazard, and theft insurance on property and contents, and fidelity bonds.

## **Independent Audit**

State statutes require an annual audit by independent certified public accountants. The accounting firm of Holt McNally & Associates, Inc. was appointed by the Board of Education. In addition to meeting the requirements set forth in the State statutes, the audit was also designed to meet the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements and combining statements and related major fund supporting statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the Single Audit section of this report.



**Acknowledgements**

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

Respectfully submitted,



Dr. James J. Lavender  
Superintendent of Schools



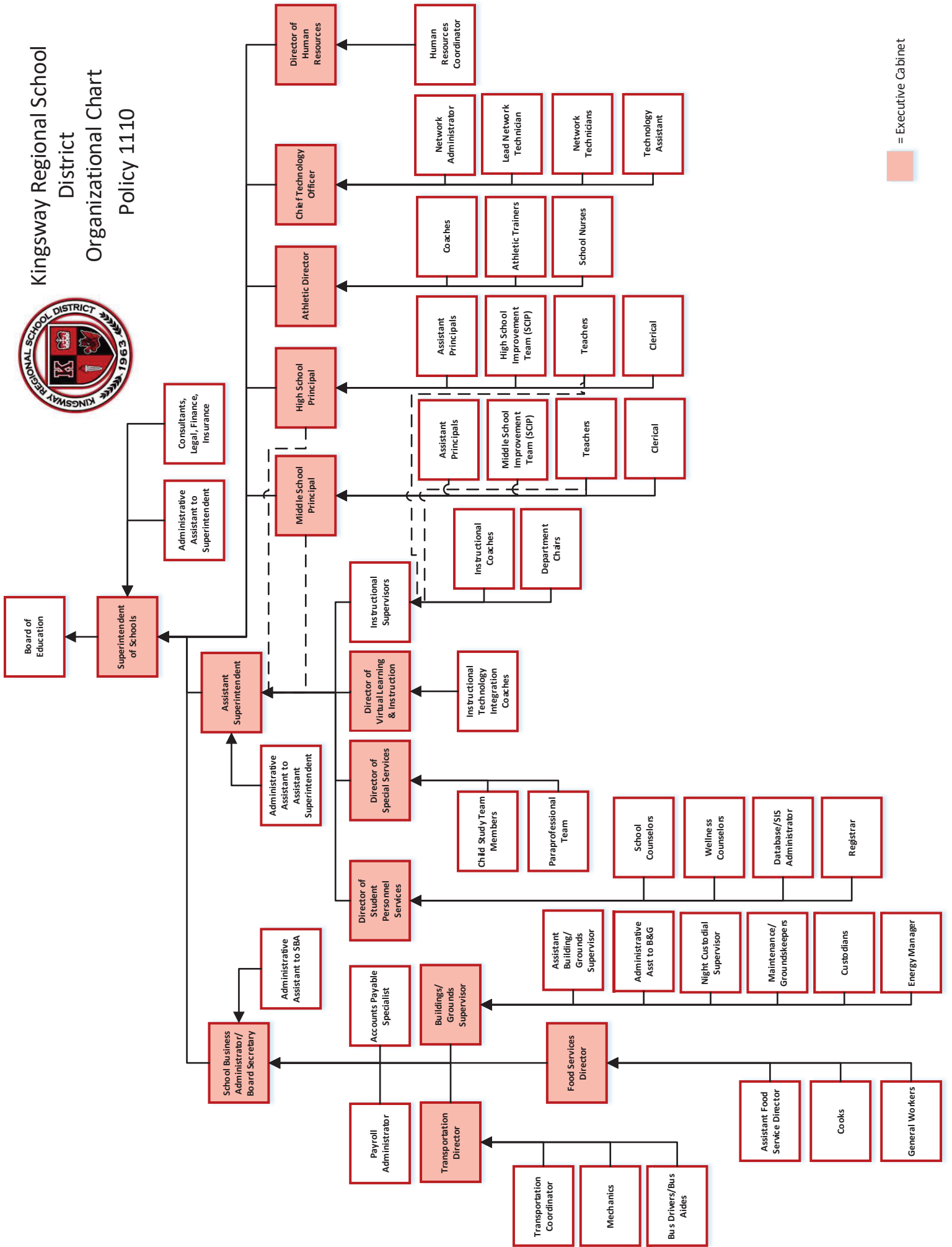
Jason Schimpf  
School Business Administrator/  
Board Secretary







# Kingsway Regional School District Organizational Chart Policy 1110



= Executive Cabinet

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**KINGSWAY REGIONAL SCHOOL DISTRICT**

**ROSTER OF OFFICIALS**

**JUNE 30, 2023**

| <b>MEMBERS OF THE BOARD OF EDUCATION</b>        | <b>TERM EXPIRES</b> |
|---|---------------------|
| Jennifer Cavallaro-Fromm, President             | 2023                |
| Lauren Boerlin, Vice President                  | 2025                |
| Christie Callahan Comerford                     | 2025                |
| Dr. Michele Blair                               | 2024                |
| Patrick Daley                                   | 2023                |
| Christopher Fay                                 | 2024                |
| Kelly Bonapfel                                  | 2023                |
| Nicholas Rosato                                 | 2025                |
| Marilyn O'Rourke-Young                          | 2024                |
| Kristen Lombardo, Logan Township Representative | 2023                |

**OTHER OFFICIALS**

Dr. James J. Lavender, Superintendent

Patricia Calandro, Assistant Superintendent

Jason Schimpf, Business Administrator/Board Secretary

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# **KINGSWAY REGIONAL SCHOOL DISTRICT**

## **CONSULTANTS AND ADVISORS**

### **Audit Firm**

Michael Holt, CPA, PSA  
Holt McNally & Associates, Inc.  
618 Stokes Road  
Medford, New Jersey 08055

### **Attorney**

Comegno Law Group PC  
521 Pleasant Valley Avenue  
Moorestown, New Jersey 08057

### **Architect**

Garrison Architects  
713 Creek Road  
Bellmawr, New Jersey 08031

### **Official Depository**

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

Truist Bank  
214 N Tryon Street  
Charlotte, NC 28202

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**FINANCIAL SECTION**

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**HOLT MCNALLY & ASSOCIATES**

Certified Public Accountants & Advisors

## INDEPENDENT AUDITOR'S REPORT

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

### Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Kingsway Regional School District, County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Kingsway Regional School District, County of Gloucester, State of New Jersey, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School District, and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Emphasis of Matter

As Discussed in Note 1 to the financials statements, during the fiscal year ended June 30, 2023, the District adopted Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

618 Stokes Road, Medford, NJ 08055

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[www.hmacpainc.com](http://www.hmacpainc.com)

## **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any current known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* and in accordance with accounting principles and practices prescribed by the Office of School Finance, Department of Education, State of New Jersey will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### **Required Supplementary Information**

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

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The combining and individual fund statements and long-term debt schedules are presented for purposes of additional analysis, as required by the Division of Administration and Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* are also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, long-term debt schedules and accompanying schedules of expenditures or federal award and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with the audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the

basic financial statements, or the other information otherwise appears to be materially misstated. If based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 8, 2024 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Respectfully submitted,

**HOLT MCNALLY & ASSOCIATES, INC.**  
*Certified Public Accountants & Advisors*

Michael Holt  
Certified Public Accountant  
Public School Accountant, No. 1148

Medford, New Jersey  
January 8, 2024

**REQUIRED SUPPLEMENTARY INFORMATION - PART I**

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**KINGSWAY REGIONAL SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2023**  
**(Unaudited)**

As management of the Kingsway Regional School District, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

**Overview of the Basic Financial Statements**

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements are comprised of three components:

- 1) Government-Wide financial statements, 2) Fund financial statements, and 3) Notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-Wide Financial Statements**

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

The *statement of net position* presents information about all of the School District's assets and liabilities. The difference between the assets plus deferred outflows or resources and liabilities plus deferred inflows of resources is reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the School District that are supported from taxes and intergovernmental revenues (*governmental activities*) and other functions that are intended to recover most of their costs from user fees and charges (*business-type activities*). Governmental activities consolidate governmental funds including the General Fund, Special Revenue Fund, Capital Projects Fund, Debt Service Fund, Technology Internal Service Fund, Transportation Internal Service Fund, General Administration Internal Service Fund and Maintenance Services Internal Service Fund. Business-type activities reflect the Food Service Fund and the Community Education Program.

**Fund Financial Statements**

*Fund financial statements* are designed to demonstrate compliance with financial-related requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific objectives. All of the funds of the School District are divided into two categories: *governmental funds and proprietary funds*.

**KINGSWAY REGIONAL SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2023**  
**(Unaudited) (Continued)**

**Overview of the Basic Financial Statements (continued)**

**Fund Financial Statements (continued)**

*Governmental funds* account for essentially the same information reported in the governmental activities of the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financial requirements in the near term.

Since the governmental funds and the governmental activities report information using the same functions, it is useful to compare the information presented. Because the focus of each report differs, a reconciliation is provided on the fund financial statements to assist the reader in comparing the near-term requirements with the long-term needs.

The School District maintains four individual governmental funds. The major funds are the General Fund, the Special Revenue Fund, the Capital Projects Fund, and the Debt Service Fund. They are presented separately in the fund financial statements.

The School District adopts an annual appropriated budget for the General Fund, Special Revenue Fund and the Debt Service Fund. A budgetary comparison statement has been provided for each of these funds to demonstrate compliance with budgetary requirements.

*Proprietary funds* are used to present the same functions as the business-type activities presented in the government-wide financial statements. The School District maintains two types of proprietary funds – the Enterprise Fund and the Internal Service Fund. The fund financial statements of the enterprise funds and internal service funds provide the same information as the government-wide financial statements, only in more detail.

The School District's two enterprise funds (Food Service Fund and Community Education Program) are listed individually and are considered to be major funds.

**Notes to the Basic Financial Statements**

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

**Financial Analysis of the School District as a Whole**

Table 1 provides a summary of the School Districts net position for the fiscal year 2023 compared to fiscal year 2022.



**KINGSWAY REGIONAL SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2023**  
**(Unaudited) (Continued)**

**Financial Analysis of the School District as a Whole (continued)**

**Table 1**  
**Summary of Net Position**

|                                  | June 30,<br><u>2023</u> | June 30,<br><u>2022</u> | Increase/<br><u>(Decrease)</u> | Percentage<br><u>Change</u> |
|----------------------------------|-------------------------|-------------------------|--------------------------------|-----------------------------|
| Current & Other Assets           | \$ 5,244,384            | \$ 8,405,624            | \$ (3,161,240)                 | -37.6%                      |
| Capital Assets, Net              | <u>58,874,525</u>       | <u>56,843,615</u>       | <u>2,030,910</u>               | 3.6%                        |
| Total Assets                     | <u>64,118,909</u>       | <u>65,249,239</u>       | <u>(1,130,330)</u>             | -1.7%                       |
| Deferred Outflow of Resources    | <u>2,354,467</u>        | <u>2,157,673</u>        | <u>196,794</u>                 | 9.1%                        |
| Current and other Liabilities    | 1,831,888               | 3,663,703               | (1,831,815)                    | -50.0%                      |
| Noncurrent Liabilities           | <u>38,341,012</u>       | <u>37,941,993</u>       | <u>399,019</u>                 | 1.1%                        |
| Total Liabilities                | <u>40,172,900</u>       | <u>41,605,696</u>       | <u>(1,432,796)</u>             | -3.4%                       |
| Deferred Inflow of Resources     | <u>1,846,114</u>        | <u>5,133,960</u>        | <u>(3,287,846)</u>             | -64.0%                      |
| Net Position:                    |                         |                         |                                |                             |
| Net Investment in Capital Assets | 32,527,841              | 28,350,070              | 4,177,771                      | 14.7%                       |
| Restricted                       | 2,871,363               | 4,210,344               | (1,338,981)                    | -31.8%                      |
| Unrestricted (Deficit)           | <u>(10,944,842)</u>     | <u>(11,893,158)</u>     | <u>948,316</u>                 | -8.0%                       |
| Total Net Position               | <u>\$ 24,454,362</u>    | <u>\$ 20,667,256</u>    | <u>\$ 3,787,106</u>            | 18.3%                       |

**KINGSWAY REGIONAL SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2023**  
**(Unaudited) (Continued)**

Table 2 shows the changes in net position for fiscal year 2023 compared to fiscal year 2022.

**Table 2**  
**Summary of Changes in Net Position**

|  | June 30,<br><u>2023</u> | June 30,<br><u>2022</u> | Increase/<br><u>(Decrease)</u> | Percentage<br><u>Change</u> |
|--|-------------------------|-------------------------|--------------------------------|-----------------------------|
| <b>Revenues:</b>                       |                         |                         |                                |                             |
| Program Revenues:                      |                         |                         |                                |                             |
| Charges for Services                   | \$ 4,079,224            | \$ 2,743,942            | \$ 1,335,282                   | 48.7%                       |
| Operating Grants & Contributions       | 8,661,663               | 11,687,674              | (3,026,011)                    | -25.9%                      |
| General Revenues:                      |                         |                         |                                |                             |
| Property Taxes                         | 26,705,235              | 25,795,748              | 909,487                        | 3.5%                        |
| Federal & State Aid                    | 21,192,154              | 17,950,130              | 3,242,024                      | 18.1%                       |
| Other General Revenues                 | 4,673,302               | 4,672,011               | 1,291                          | 0.0%                        |
| Total Revenues                         | <u>65,311,578</u>       | <u>62,849,505</u>       | <u>2,462,073</u>               | <u>3.9%</u>                 |
| <b>Function/Program Expenditures:</b>  |                         |                         |                                |                             |
| Regular Instruction                    | 18,213,739              | 17,302,114              | 911,625                        | 5.3%                        |
| Special Education Instruction          | 4,096,039               | 4,404,340               | (308,301)                      | -7.0%                       |
| Other Instruction                      | 91,278                  | 3,215                   | 88,063                         | 2739.1%                     |
| School Sponsored                       | 1,663,297               | 1,529,108               | 134,189                        | 8.8%                        |
| Tuition                                | 3,852,530               | 3,126,967               | 725,563                        | 23.2%                       |
| Student & Instruction Related Services | 8,401,417               | 6,540,861               | 1,860,556                      | 28.4%                       |
| General Administrative                 | 753,184                 | 738,019                 | 15,165                         | 2.1%                        |
| School Administrative Services         | 1,936,331               | 1,826,077               | 110,254                        | 6.0%                        |
| Central Services                       | 681,450                 | 669,261                 | 12,189                         | 1.8%                        |
| Administrative Info. Technology        | 600,430                 | 560,570                 | 39,860                         | 7.1%                        |
| Plant Operations & Maintenance         | 4,727,981               | 4,515,969               | 212,012                        | 4.7%                        |
| Pupil Transportation                   | 7,570,991               | 6,152,826               | 1,418,165                      | 23.0%                       |
| Unallocated Benefits                   | 5,390,397               | 6,918,817               | (1,528,420)                    | -22.1%                      |
| Transfer to Charter Schools            | 63,053                  | 78,550                  | (15,497)                       | 100.0%                      |
| Interest & Other Charges               | 239,543                 | 430,960                 | (191,417)                      | -44.4%                      |
| Unallocated Depreciation               | 1,595,906               | 1,632,925               | (37,019)                       | -2.3%                       |
| Food Service                           | 1,424,679               | 1,281,778               | 142,901                        | 11.1%                       |
| Community Education Program            | 222,227                 | 36,476                  | 185,751                        | 509.2%                      |
| Total Expenditures                     | <u>61,524,472</u>       | <u>57,748,833</u>       | <u>3,775,639</u>               | <u>6.5%</u>                 |
| Change In Net Position                 | 3,787,106               | 5,100,672               | (1,313,566)                    | -25.8%                      |
| Net Position - Beginning               | 20,667,256              | 15,566,584              | 5,100,672                      | 32.8%                       |
| Net Position - Ending                  | <u>\$ 24,454,362</u>    | <u>\$ 20,667,256</u>    | <u>\$ 3,787,106</u>            | <u>18.3%</u>                |

**Governmental Activities**

During the fiscal year 2023, the net position of governmental activities increased by \$3,639,040 or 18.9%. The assets and deferred outflows of the primary government activities exceeded liabilities and deferred inflows by \$22,841,061, with an unrestricted deficit balance of \$(12,249,931). The deficit in unrestricted net position is primarily due to accounting treatment for compensated absences payable, GASB 68 net pension liability, and the last 2 state aid payments. In addition, state statutes prohibit school districts from maintaining more than 2% of its adopted budget as unassigned fund balance.

**KINGSWAY REGIONAL SCHOOL DISTRICT**  
**Management’s Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2023**  
**(Unaudited) (Continued)**

The School District’s governmental activities unrestricted net position had GASB 68 pension not been implemented would have been as follows:

**Table 3**  
**GASB 68 Effect on Unrestricted Net Position**

|  |           |                    |
|--|-----------|--------------------|
| Unrestricted Net Position (With GASB 68)       | \$        | (12,249,931)       |
| Add back: PERS Pension Liability               |           | 8,975,473          |
| Less: Deferred Outflows related to pensions    |           | (1,494,365)        |
| Add back: Deferred Inflows related to pensions |           | <u>1,846,114</u>   |
| Unrestricted Net Position (Without GASB 68)    | <u>\$</u> | <u>(2,922,709)</u> |

**Business-type Activities**

During the fiscal year 2023, the net position of business-type activities increased by \$148,066 or 10.1%.

The assets and deferred outflows of the business-type activities exceeded liabilities and deferred inflows by \$1,613,301.

**General Fund Budgeting Highlights**

Final budgeted revenues were \$47,623,925 which was no change from the original budget. Excluding nonbudgeted revenues, the School District’s actual revenues exceeded budgeted revenues by \$434,960.

Final budgeted appropriations were \$50,837,347, which was an increase of \$613,422 from the original budget. The decrease is due to the reduction in state aid, which decreased the budget appropriations in the subsequent fiscal year’s budget. Excluding nonbudgeted expenditures, the School District’s budget appropriations exceeded actual expenditures by \$1,187,942.

The School District’s general fund balance – budgetary basis (Exhibit C-1) was \$4,252,393 at June 30, 2023, a decrease of \$1,507,166 from the prior year.

**Governmental Funds**

At the end of the current fiscal year, the School District’s governmental funds reported a combined ending fund balance of \$2,865,266, a decrease of \$1,597,585 from the prior year.

*General fund* - During the current fiscal year, the fund balance of the School District’s general fund decreased by \$1,805,824 to \$2,355,560 at June 30, 2023, compared to an increase of \$590,787 in fund balance in the prior fiscal year.

*Special revenue fund* – During the current fiscal year, the fund balance of the School District’s special revenue fund increased by \$9,315 to \$384,168 at June 30, 2023, compared to an increase of \$9,512 in fund balance in the prior fiscal year.

*Capital projects fund* – Due the current fiscal year, the fund balance of the School District’s capital projects fund increased by \$264,455 to \$125,538 at June 30, 2023, compared to decrease of \$849,364 in fund balance in the prior fiscal year.

**KINGSWAY REGIONAL SCHOOL DISTRICT**  
**Management’s Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2023**  
**(Unaudited) (Continued)**

*Debt service fund* - During the current fiscal year, the fund balance of the School District’s debt service fund decreased by \$65,531 to \$0 at June 30, 2023, compared to a decrease of \$2 in fund balance in the prior fiscal year.

**Proprietary Funds**

*Food service fund* - During the current fiscal year, the net position of the School District’s food service fund increased by \$45,853 to \$1,373,303 at June 30, 2023, compared to an increase of \$681,067 in fund balance in the prior fiscal year.

*Community Education Fund* - During the current fiscal year, the net position of the School District’s community education fund increased by \$102,213 to \$239,998 at June 30, 2023, compared to an increase of \$131,155 in fund balance in the prior fiscal year.

*Internal Service Funds* – There were no changes in the fund balance for the internal service funds.

**Capital Assets**

The School District’s capital assets for its governmental and business-type activities as of June 30, 2023, totaled \$58,874,525 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings and improvements and equipment. There was a net decrease in the School District’s capital assets for the current fiscal year in the amount of \$2,030,910. Table 4 shows fiscal 2023 balances compared to 2022.

**Table 4**  
**Summary of Capital Assets**

| <u>Capital Asset (Net of Depreciation):</u> | June 30,<br><u>2023</u> | June 30,<br><u>2022</u> | Increase/<br><u>(Decrease)</u> | Percentage<br><u>Change</u> |
|---|-------------------------|-------------------------|--------------------------------|-----------------------------|
| Land  | \$ 2,481,278            | \$ 2,481,278            | \$ -                           | 0.0%                        |
| Construction in Progress                    | 760,075                 | 1,129,314               | (369,239)                      | -32.7%                      |
| Land Improvements                           | 4,535,377               | 4,351,640               | 183,737                        | 4.2%                        |
| Building and Improvements                   | 44,507,857              | 43,410,698              | 1,097,159                      | 2.5%                        |
| Equipment                                   | 6,589,938               | 5,470,685               | 1,119,253                      | 20.5%                       |
|   | <u>\$ 58,874,525</u>    | <u>\$ 56,843,615</u>    | <u>\$ 2,030,910</u>            | 3.6%                        |

Depreciation expense for the year was \$1,641,720. Additional information on the School District’s capital assets can be found in the notes to the basic financial statements (Note 5) of this report.

**Debt Administration**

**Long-term debt** – At the end of the current fiscal year, the School District had total bonded debt outstanding of \$25,215,000, which is a decrease of \$2,615,000 from the prior year.

Additional information on the School District’s long-term obligations can be found in the notes to the basic financial statements (Note 7) of this report.

**KINGSWAY REGIONAL SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2023**  
**(Unaudited) (Continued)**

**Factors on the School District's Future**

Fiscal Year 2019 (FY19) was the first step of Kingsway Regional's journey towards full and equitable state funding. The District was fortunate to have a core group of passionate community members that worked tirelessly to ensure that Kingsway received its fair share of state aid. The passage of bill S2 in July of 2018 modified the school funding law by eliminating adjustment aid and the state aid growth limit, thereby allowing for a fair redistribution of state aid that will bring all New Jersey school districts to 100% of SFRA funding over the course of seven years. By FY25, Kingsway should receive its full share of uncapped state aid, an increase of more than \$8.8 over the next six years.

In FY21, Kingsway was to receive an additional \$2.150 million in state aid prior to the COVID pandemic. Due to decreased state revenues, the district will only receive an additional \$683k.

In FY22, the Kingsway received an additional \$3.386 million in state formula aid. This additional aid allowed for the hiring of an additional 19 full time equivalent positions including 13.5 instructional and 5.5 support service positions.

In FY23, the District received an additional \$3.303 million in state formula aid. That budget included the creation of 9.0 new full time equivalent positions. 4.0 teaching positions, 2.0 administrative positions, and 3.0 support service positions.

In FY24, Kingsway will receive an additional \$2.551 million in additional formula aid. This budget includes the addition of 3.0 full time equivalent positions. 1.0 NJROTC Instructor, and 2.0 paraprofessionals.

This additional state aid continues to pave our financial path towards full funding, allowing our district to fully implement the measures necessary to provide our students with the best possible educational opportunities to ensure they are equipped with the knowledge, skills and experience to succeed in an evolving global society.

**Contacting the School Districts Financial Management**

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the School Business Administrator at the Kingsway Regional School District Administrative Offices, 213 Kings Highway, Woolwich Township, New Jersey 08085. Our website provides additional district information and can be located at [www.krsd.org](http://www.krsd.org).

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**BASIC FINANCIAL STATEMENTS**

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A. Government-Wide Financial Statements

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**KINGSWAY REGIONAL SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2023**

|   | GOVERNMENTAL<br>ACTIVITIES | BUSINESS-<br>TYPE<br>ACTIVITIES | TOTAL         |
|---|----------------------------|---------------------------------|---------------|
| <b>ASSETS:</b>                                      |                            |                                 |               |
| Cash & Cash Equivalents                             | \$ -                       | \$ 1,407,591                    | \$ 1,407,591  |
| Receivables, Net (Note 4)                           | 1,500,449                  | 24,658                          | 1,525,107     |
| Inventory   | -                          | 15,486                          | 15,486        |
| Restricted Cash & Cash Equivalents                  | 2,001,721                  | -                               | 2,001,721     |
| Intangible Assets, Net of Amortization (Note 19)    | 294,479                    | -                               | 294,479       |
| Capital Assets, Non-Depreciable (Note 5)            | 3,241,353                  | -                               | 3,241,353     |
| Capital Assets, Depreciable, Net (Note 5)           | 55,324,960                 | 308,212                         | 55,633,172    |
|   | <hr/>                      | <hr/>                           | <hr/>         |
| Total Assets  | 62,362,962                 | 1,755,947                       | 64,118,909    |
| <b>DEFERRED OUTFLOWS OF RESOURCES:</b>              |                            |                                 |               |
| Related to Pensions (Note 8)                        | 1,494,365                  | -                               | 1,494,365     |
| Related to Loss on Debt Refunding                   | 860,102                    | -                               | 860,102       |
|   | <hr/>                      | <hr/>                           | <hr/>         |
| Total Deferred Outflow of Resources                 | 2,354,467                  | -                               | 2,354,467     |
|   | <hr/>                      | <hr/>                           | <hr/>         |
| Total Assets and Deferred Outflow of Resources      | 64,717,429                 | 1,755,947                       | 66,473,376    |
| <b>LIABILITIES:</b>                                 |                            |                                 |               |
| Cash Deficit  | 284,057                    | -                               | 284,057       |
| Accounts Payable                                    | 229,450                    | -                               | 229,450       |
| Unearned Revenue                                    | 123,397                    | 73,779                          | 197,176       |
| Accrued Interest                                    | 311,304                    | -                               | 311,304       |
| Due to Other Governments                            | 809,901                    | -                               | 809,901       |
| Noncurrent Liabilities (Note 7):                    |                            |                                 |               |
| Due Within One Year                                 | 3,368,778                  | -                               | 3,368,778     |
| Due Beyond One Year                                 | 34,903,367                 | 68,867                          | 34,972,234    |
|   | <hr/>                      | <hr/>                           | <hr/>         |
| Total Liabilities                                   | 40,030,254                 | 142,646                         | 40,172,900    |
| <b>DEFERRED INFLOWS OF RESOURCES:</b>               |                            |                                 |               |
| Related to Pensions (Note 8)                        | 1,846,114                  | -                               | 1,846,114     |
|   | <hr/>                      | <hr/>                           | <hr/>         |
| Total Deferred Inflows of Resources                 | 1,846,114                  | -                               | 1,846,114     |
|   | <hr/>                      | <hr/>                           | <hr/>         |
| Total Liabilities and Deferred Inflows of Resources | 41,876,368                 | 142,646                         | 42,019,014    |
| <b>NET POSITION:</b>                                |                            |                                 |               |
| Net Investment in Capital Assets                    | 32,219,629                 | 308,212                         | 32,527,841    |
| Restricted For:                                     |                            |                                 | -             |
| Capital Projects                                    | 2,088,491                  | -                               | 2,088,491     |
| Unemployment  | 38,768                     | -                               | 38,768        |
| Student Activities                                  | 203,042                    | -                               | 203,042       |
| Scholarship   | 181,126                    | -                               | 181,126       |
| Excess Surplus                                      | 359,936                    | -                               | 359,936       |
| Unrestricted  | (12,249,931)               | 1,305,089                       | (10,944,842)  |
|   | <hr/>                      | <hr/>                           | <hr/>         |
| Total Net Position                                  | \$ 22,841,061              | \$ 1,613,301                    | \$ 24,454,362 |

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

**KINGSWAY REGIONAL SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2023**

| FUNCTIONS/PROGRAMS  | EXPENSES             | PROGRAM REVENUES           |  | NET (EXPENSE) REVENUE AND<br>CHANGES IN NET POSITION |                                 | TOTAL                |
|---|----------------------|----------------------------|--|--|---------------------------------|----------------------|
|   |                      | CHARGES<br>FOR<br>SERVICES | OPERATING<br>GRANTS &<br>CONTRIBUTIONS | GOVERNMENTAL<br>ACTIVITIES                           | BUSINESS-<br>TYPE<br>ACTIVITIES |                      |
|   |                      |                            |  |  |                                 |                      |
| <b>Governmental Activities:</b>   |                      |                            |  |  |                                 |                      |
| Instruction:  |                      |                            |  |  |                                 |                      |
| Regular   | 18,213,739           | \$ -                       | \$ -                                   | \$ (18,213,739)                                      | \$ -                            | (18,213,739)         |
| Special Education   | 4,096,039            | -                          | 131,181                                | (3,964,858)  | -                               | (3,964,858)          |
| Other Instructional   | 91,278               | -                          | -                                      | (91,278)   | -                               | (91,278)             |
| School Sponsored  | 1,663,297            | -                          | -                                      | (1,663,297)  | -                               | (1,663,297)          |
| Support Services & Undistributed Costs:   |                      |                            |  |  |                                 |                      |
| Tuition   | 3,852,530            | -                          | 524,590                                | (3,327,940)  | -                               | (3,327,940)          |
| Student & Instruction Related Services  | 7,201,414            | -                          | 959,243                                | (6,242,171)  | -                               | (6,242,171)          |
| Health Services   | 480,589              | -                          | -                                      | (480,589)  | -                               | (480,589)            |
| Educational Media Services/School Library   | 719,414              | -                          | -                                      | (719,414)  | -                               | (719,414)            |
| School Administrative Services  | 1,936,331            | -                          | -                                      | (1,936,331)  | -                               | (1,936,331)          |
| General Administration  | 753,184              | -                          | -                                      | (753,184)  | -                               | (753,184)            |
| Central Services  | 681,450              | -                          | -                                      | (681,450)  | -                               | (681,450)            |
| Administrative Information Technology   | 600,430              | 162,791                    | -                                      | (437,639)  | -                               | (437,639)            |
| Plant Operations & Maintenance  | 4,727,981            | -                          | -                                      | (4,727,981)  | -                               | (4,727,981)          |
| Pupil Transportation  | 7,570,991            | 2,586,937                  | -                                      | (4,984,054)  | -                               | (4,984,054)          |
| Interest on Long-Term Debt and Other Charges                                      | 239,543              | -                          | -                                      | (239,543)  | -                               | (239,543)            |
| Transfer to Charter School  | 63,053               | -                          | -                                      | (63,053)   | -                               | (63,053)             |
| Unallocated Depreciation  | 1,595,906            | -                          | -                                      | (1,595,906)  | -                               | (1,595,906)          |
| Unallocated Benefits  | 5,390,397            | -                          | 6,586,629                              | 1,196,232  | -                               | 1,196,232            |
| <b>Total Governmental Activities</b>  | <b>59,877,566</b>    | <b>2,749,728</b>           | <b>8,201,643</b>                       | <b>(48,926,195)</b>                                  | <b>-</b>                        | <b>(48,926,195)</b>  |
| <b>Business-Type Activities:</b>  |                      |                            |  |  |                                 |                      |
| Food Service  | 1,424,679            | 1,005,056                  | 460,020                                | -  | 40,397                          | 40,397               |
| Community Education Program   | 222,227              | 324,440                    | -                                      | -  | 102,213                         | 102,213              |
| <b>Total Business-Type Activities</b>   | <b>1,646,906</b>     | <b>1,329,496</b>           | <b>460,020</b>                         | <b>-</b>   | <b>142,610</b>                  | <b>142,610</b>       |
| <b>Total Primary Government</b>   | <b>\$ 61,524,472</b> | <b>\$ 4,079,224</b>        | <b>\$ 8,661,663</b>                    | <b>(48,926,195)</b>                                  | <b>142,610</b>                  | <b>(48,783,585)</b>  |
| <b>General Revenues:</b>  |                      |                            |  |  |                                 |                      |
| Taxes:  |                      |                            |  |  |                                 |                      |
| Property Taxes, Levied for General Purposes                                       |                      |                            |  | 23,961,044   | -                               | 23,961,044           |
| Taxes Levied for Debt Service   |                      |                            |  | 2,744,191  | -                               | 2,744,191            |
| Federal & State Aid Not Restricted  |                      |                            |  | 20,671,418   | -                               | 20,671,418           |
| Federal & State Aid Restricted  |                      |                            |  | 520,736  | -                               | 520,736              |
| Transportation Fees   |                      |                            |  | 523  | -                               | 523                  |
| Tuition Charges   |                      |                            |  | 3,039,443  | -                               | 3,039,443            |
| Rents and Royalties   |                      |                            |  | 71,338   | -                               | 71,338               |
| Investment Earnings   |                      |                            |  | 801  | 5,456                           | 6,257                |
| Miscellaneous Income  |                      |                            |  | 1,555,741  | -                               | 1,555,741            |
| <b>Total General Revenues, Special Items, Extraordinary Items &amp; Transfers</b> |                      |                            |  | <b>52,565,235</b>                                    | <b>5,456</b>                    | <b>52,570,691</b>    |
| <b>Change In Net Position</b>   |                      |                            |  | <b>3,639,040</b>                                     | <b>148,066</b>                  | <b>3,787,106</b>     |
| <b>Net Position - Beginning</b>   |                      |                            |  | <b>19,202,021</b>                                    | <b>1,465,235</b>                | <b>20,667,256</b>    |
| <b>Net Position - Ending</b>  |                      |                            |  | <b>\$ 22,841,061</b>                                 | <b>\$ 1,613,301</b>             | <b>\$ 24,454,362</b> |

## B. Fund Financial Statements

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## Governmental Funds

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**KINGSWAY REGIONAL SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2023**

| ASSETS & OTHER DEBITS   | GENERAL<br>FUND | SPECIAL<br>REVENUE<br>FUND | CAPITAL<br>PROJECTS<br>FUND | DEBT<br>SERVICE<br>FUND | TOTAL               |
|---|-----------------|----------------------------|-----------------------------|-------------------------|---------------------|
| Cash & Cash Equivalents   | \$ 2,198,197    | \$ 327,399                 | \$ -                        | \$ -                    | \$ 2,525,596        |
| Receivables from Other Governments  | 867,845         | 124,204                    | -                           | -                       | 992,049             |
| Due from Other Funds  | 21,178          | 2,475                      | 2,600,000                   | 1,376,074               | 3,999,727           |
| Receivables, Net  | 143,675         | 53,487                     | -                           | -                       | 197,162             |
| Restricted Cash & Cash Equivalents  | 2,001,721       | -                          | -                           | -                       | 2,001,721           |
|   | <hr/>           |                            |                             |                         |                     |
| Total Assets  | \$ 5,232,616    | \$ 507,565                 | \$ 2,600,000                | \$ 1,376,074            | \$ 9,716,255        |
|   | <hr/>           |                            |                             |                         |                     |
| <b>LIABILITIES &amp; FUND BALANCES</b>  |                 |                            |                             |                         |                     |
| Liabilities:  |                 |                            |                             |                         |                     |
| Cash Deficit  | \$ -            | \$ -                       | \$ 1,113,811                | \$ 1,376,074            | \$ 2,489,885        |
| Unearned Revenue  | -               | 123,397                    | -                           | -                       | 123,397             |
| Accounts Payable  | 7,785           | -                          | -                           | -                       | 7,785               |
| Payroll Withholdings and Deductions Payable   | 221,665         | -                          | -                           | -                       | 221,665             |
| Due to Other Funds  | 2,647,606       | -                          | 1,360,651                   | -                       | 4,008,257           |
|   | <hr/>           |                            |                             |                         |                     |
| Total Liabilities   | 2,877,056       | 123,397                    | 2,474,462                   | 1,376,074               | 6,850,989           |
|   | <hr/>           |                            |                             |                         |                     |
| Fund Balances:  |                 |                            |                             |                         |                     |
| Restricted for:   |                 |                            |                             |                         |                     |
| Capital Reserve   | 1,962,953       | -                          | -                           | -                       | 1,962,953           |
| Excess Surplus - Current year   | 359,936         | -                          | -                           | -                       | 359,936             |
| Capital Projects  | -               | -                          | 46,251                      | -                       | 46,251              |
| Unemployment  | 38,768          | -                          | -                           | -                       | 38,768              |
| Scholarship   | -               | 181,126                    | -                           | -                       | 181,126             |
| Student Activities  | -               | 203,042                    | -                           | -                       | 203,042             |
| Committed to:   |                 |                            |                             |                         |                     |
| Other Purposes  | 107,233         | -                          | 79,287                      | -                       | 186,520             |
| Assigned to:  |                 |                            |                             |                         |                     |
| Designated for Subsequent Year's Expenditure  | 232,781         | -                          | -                           | -                       | 232,781             |
| Unassigned  | (346,111)       | -                          | -                           | -                       | (346,111)           |
|   | <hr/>           |                            |                             |                         |                     |
| Total Fund Balances   | 2,355,560       | 384,168                    | 125,538                     | -                       | 2,865,266           |
|   | <hr/>           |                            |                             |                         |                     |
| Total Liabilities & Fund Balances   | \$ 5,232,616    | \$ 507,565                 | \$ 2,600,000                | \$ 1,376,074            |                     |
|   | <hr/>           |                            |                             |                         |                     |
| Amounts reported for <i>governmental activities</i> in the statement of net position (A-1) are different because:   |                 |                            |                             |                         |                     |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$103,192,349 and the accumulated depreciation is \$44,626,036.   |                 |                            |                             |                         |                     |
|   |                 |                            |                             |                         | 58,566,313          |
| Subscription-Based Information Technology Arrangements (SBITAs) used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the intangible assets is \$372,868 and the accumulated amortization is \$78,389. |                 |                            |                             |                         |                     |
|   |                 |                            |                             |                         | 294,479             |
| Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and therefore are not reported in the funds.  |                 |                            |                             |                         |                     |
|   |                 |                            |                             |                         | 1,494,365           |
|   |                 |                            |                             |                         | (1,846,114)         |
|   |                 |                            |                             |                         | 860,102             |
| Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.  |                 |                            |                             |                         |                     |
|   |                 |                            |                             |                         | (311,304)           |
| Accrued pension contributions for the June 30, 2023 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.         |                 |                            |                             |                         |                     |
|   |                 |                            |                             |                         | (809,901)           |
| Long-term liabilities, including net pension liability and bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.   |                 |                            |                             |                         |                     |
|   |                 |                            |                             |                         | (38,272,145)        |
| Net Position of Governmental Activities   |                 |                            |                             |                         | <u>\$22,841,061</u> |

**KINGSWAY REGIONAL SCHOOL DISTRICT**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**FOR FISCAL YEAR ENDED JUNE 30, 2023**

|  | GENERAL<br>FUND | SPECIAL<br>REVENUE<br>FUND | CAPITAL<br>PROJECTS<br>FUND | DEBT<br>SERVICE<br>FUND | TOTALS<br>JUNE 30,<br>2023 |
|--|-----------------|----------------------------|-----------------------------|-------------------------|----------------------------|
| Revenues:  |                 |                            |                             |                         |                            |
| Local Sources:   |                 |                            |                             |                         |                            |
| Local Tax Levy   | \$ 23,961,044   | \$ -                       | \$ -                        | \$ 2,744,191            | \$ 26,705,235              |
| Tuition  | 3,039,443       | -                          | -                           | -                       | 3,039,443                  |
| Transportation   | 523             | -                          | -                           | -                       | 523                        |
| Rents and Royalties  | 71,338          | -                          | -                           | -                       | 71,338                     |
| Miscellaneous  | 436,703         | 1,119,801                  | 38                          | -                       | 1,556,542                  |
|  |                 |                            |                             |                         | -                          |
| Total Local Sources  | 27,509,051      | 1,119,801                  | 38                          | 2,744,191               | 31,373,081                 |
| State Sources  | 29,489,474      | 124,969                    | -                           | 520,736                 | 30,135,179                 |
| Federal Sources  | 15,551          | 1,490,045                  | -                           | -                       | 1,505,596                  |
| Total Revenues   | 57,014,076      | 2,734,815                  | 38                          | 3,264,927               | 63,013,856                 |
| Expenditures:  |                 |                            |                             |                         |                            |
| Current Expense:   |                 |                            |                             |                         |                            |
| Regular Instruction  | 14,480,829      | -                          | -                           | -                       | 14,480,829                 |
| Special Education Instruction  | 3,084,310       | 121,866                    | -                           | -                       | 3,206,176                  |
| Other Instruction  | 91,278          | -                          | -                           | -                       | 91,278                     |
| School Sponsored   | 1,554,070       | -                          | -                           | -                       | 1,554,070                  |
| Support Services:  |                 |                            |                             |                         |                            |
| Tuition  | 3,327,940       | 524,590                    | -                           | -                       | 3,852,530                  |
| Attendance Services  | 189,942         | -                          | -                           | -                       | 189,942                    |
| Health Services  | 421,112         | -                          | -                           | -                       | 421,112                    |
| Student & Instruction Related Services   | 4,027,278       | 2,079,044                  | -                           | -                       | 6,106,322                  |
| Educational Media Services/School Library  | 275,438         | -                          | -                           | -                       | 275,438                    |
| Instructional Staff Training   | 137,885         | -                          | -                           | -                       | 137,885                    |
| General Administration   | 641,386         | -                          | -                           | -                       | 641,386                    |
| School Administration  | 1,808,250       | -                          | -                           | -                       | 1,808,250                  |
| Central Services   | 681,450         | -                          | -                           | -                       | 681,450                    |
| Administrative Information Technology  | 461,597         | -                          | -                           | -                       | 461,597                    |
| Plant Operations & Maintenance   | 3,985,877       | -                          | -                           | -                       | 3,985,877                  |
| Pupil Transportation   | 4,860,118       | -                          | -                           | -                       | 4,860,118                  |
| Unallocated Employee Benefits  | 7,135,405       | -                          | -                           | -                       | 7,135,405                  |
| On Behalf TPAF Pension and Social Security Contributions   | 8,833,607       | -                          | -                           | -                       | 8,833,607                  |
| Debt Service:  |                 |                            |                             |                         |                            |
| Principal  | -               | -                          | -                           | 2,615,000               | 2,615,000                  |
| Interest & Other Charges   | 116,737         | -                          | -                           | 715,458                 | 832,195                    |
| Capital Outlay   | 458,432         | -                          | 3,370,583                   | -                       | 3,829,015                  |
| Total Expenditures   | 56,572,941      | 2,725,500                  | 3,370,583                   | 3,330,458               | 65,999,482                 |
| Excess/(Deficiency) of Revenues<br>Over/(Under) Expenditures   | 441,135         | 9,315                      | (3,370,545)                 | (65,531)                | (2,985,626)                |
| Other Financing Sources/(Uses)   |                 |                            |                             |                         |                            |
| SBITA Proceeds   | 365,368         | -                          | -                           | -                       | 365,368                    |
| Financed Purchase Proceeds   | -               | -                          | 1,035,000                   | -                       | 1,035,000                  |
| Transfers In   | 50,726          | -                          | 2,600,000                   | -                       | 2,650,726                  |
| Transfers Out  | (2,600,000)     | -                          | -                           | -                       | (2,600,000)                |
| Transfers to Charter School  | (63,053)        | -                          | -                           | -                       | (63,053)                   |
| Total Other Financing Sources/(Uses)   | (2,246,959)     | -                          | 3,635,000                   | -                       | 1,388,041                  |
| Excess/(Deficiency) of Revenues &<br>Other Financing Sources Over/(Under)<br>Expenditures & Other Financing (Uses) | (1,805,824)     | 9,315                      | 264,455                     | (65,531)                | (1,597,585)                |
| Fund Balance, July 1   | 4,161,384       | 374,853                    | (138,917)                   | 65,531                  | 4,462,851                  |
| Fund Balances June 30  | \$ 2,355,560    | \$ 384,168                 | \$ 125,538                  | \$ -                    | \$ 2,865,266               |

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

**KINGSWAY REGIONAL SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2023**

Total Net Change in Fund Balances - Governmental Funds (From B-2) \$ (1,597,585)

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.

|                      |                  |           |
|----------------------|------------------|-----------|
| Depreciation Expense | \$ (1,595,906)   |           |
| Capital Outlay       | <u>3,463,647</u> | 1,867,741 |

Repayment of long-term debt principal and obligation of lease purchase agreements are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.

|                        |               |           |
|------------------------|---------------|-----------|
| Bond Principal         | 2,615,000     |           |
| Subscription Liability | <u>72,964</u> | 2,687,964 |

Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets.

|                        |                  |             |
|------------------------|------------------|-------------|
| Capital Lease Proceeds | (1,035,000)      |             |
| SBITA Proceeds         | <u>(365,368)</u> | (1,400,368) |

Governmental funds report the effect of premiums, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these transactions is as follows:

|  |                  |        |
|--|------------------|--------|
| Amortization of Premium on Bonds       | 165,629          |        |
| Amortization of Loss on Bond Refunding | <u>(128,511)</u> | 37,118 |

Governmental funds recognize the intangible assets as revenue when the subscription is first entered, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these transactions is as follows:

|                                  |                 |         |
|----------------------------------|-----------------|---------|
| Intangible Asset                 | 372,868         |         |
| Amortization of Intangible Asset | <u>(78,389)</u> | 294,479 |

In the statement of activities, the reduction for financed purchases should not be an expenditure. Thus the change in net position will differ from the change in fund balance by the cost of the asset removed (-). 529,743

Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period. 1,589,913

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation (+). 23,716

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+). (393,681)

Change in Net Position of Governmental Activities \$ 3,639,040

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## Proprietary Funds

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**KINGSWAY REGIONAL SCHOOL DISTRICT  
PROPRIETARY FUNDS  
STATEMENT OF NET POSITION  
FOR FISCAL YEAR ENDED JUNE 30, 2023**

| ASSETS                       | BUSINESS-TYPE<br>ACTIVITIES<br>ENTERPRISE FUNDS |                        | GOVERNMENTAL ACTIVITIES    |                        | TOTAL        |
|------------------------------|---|------------------------|----------------------------|------------------------|--------------|
|                              | FOOD<br>SERVICE<br>FUND                         | COMMUNITY<br>EDUCATION | TRANSPORTATION<br>SERVICES | TECHNOLOGY<br>SERVICES |              |
|                              |   |                        |                            |                        |              |
| Current Assets:              |   |                        |                            |                        |              |
| Cash & Cash Equivalents      | \$ 1,167,593                                    | \$ 239,998             | \$ -                       | \$ -                   | \$ 1,407,591 |
| Interfund Receivable         | -   | -                      | 29,708                     | -                      | 29,708       |
| Accounts Receivable          | 24,658  | -                      | 267,222                    | 44,010                 | 335,890      |
| Other Receivable             | -   | -                      | 6                          | -                      | 6            |
| Inventories                  | 15,486  | -                      | -                          | -                      | 15,486       |
| Total Current Assets         | 1,207,737                                       | 239,998                | 296,936                    | 44,010                 | 1,788,681    |
| Noncurrent Assets:           |   |                        |                            |                        |              |
| Equipment                    | 1,088,215                                       | -                      | -                          | -                      | 1,088,215    |
| Accumulated Depreciation     | (780,003)                                       | -                      | -                          | -                      | (780,003)    |
| Total Capital Assets         | 308,212   | -                      | -                          | -                      | 308,212      |
| Total Assets                 | 1,515,949                                       | 239,998                | 296,936                    | 44,010                 | 2,096,893    |
| LIABILITIES:                 |   |                        |                            |                        |              |
| Current Liabilities:         |   |                        |                            |                        |              |
| Cash Deficit                 | -   | -                      | 296,936                    | 22,832                 | 319,768      |
| Interfund Payable            | -   | -                      | -                          | 21,178                 | 21,178       |
| Unearned Revenue             | 73,779  | -                      | -                          | -                      | 73,779       |
| Total Current Liabilities    | 73,779  | -                      | 296,936                    | 44,010                 | 414,725      |
| Noncurrent Liabilities:      |   |                        |                            |                        |              |
| Compensated Absences         | 68,867  | -                      | -                          | -                      | 68,867       |
| Total Noncurrent Liabilities | 68,867  | -                      | -                          | -                      | 68,867       |
| Total Liabilities            | 142,646   | -                      | 296,936                    | 44,010                 | 483,592      |
| NET POSITION                 |   |                        |                            |                        |              |
| Investment in Capital Assets | 308,212   | -                      | -                          | -                      | 308,212      |
| Unrestricted Net Position    | 1,065,091                                       | 239,998                | -                          | -                      | 1,305,089    |
| Total Net Position           | \$ 1,373,303                                    | \$ 239,998             | \$ -                       | \$ -                   | \$ 1,613,301 |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
PROPRIETARY FUNDS  
STATEMENT OF REVENUES, EXPENSES AND CHANGES  
IN NET POSITION  
FOR FISCAL YEAR ENDED JUNE 30, 2023**

|   | BUSINESS-TYPE<br>ACTIVITIES<br>ENTERPRISE FUNDS |                        | GOVERNMENTAL ACTIVITIES    |                        | TOTAL               |
|---|---|------------------------|----------------------------|------------------------|---------------------|
|   | FOOD<br>SERVICE<br>FUND                         | COMMUNITY<br>EDUCATION | TRANSPORTATION<br>SERVICES | TECHNOLOGY<br>SERVICES |                     |
|   | Operating Revenue:                              |                        |                            |                        |                     |
| Local Sources:                                |   |                        |                            |                        |                     |
| Transportation Fees Charged<br>to Other LEA's | \$ -  | \$ -                   | \$ 2,586,937               | \$ -                   | \$ 2,586,937        |
| Daily Sales - Reimbursable Programs           | 465,027   | -                      | -                          | -                      | 465,027             |
| Daily Sales - Nonreimbursable Programs        | 450,400   | -                      | -                          | -                      | 450,400             |
| Vending Machine Sales                         | 9,896   | -                      | -                          | -                      | 9,896               |
| Special Function                              | 79,733  | -                      | -                          | -                      | 79,733              |
| Program Fees                                  | -   | 324,440                | -                          | -                      | 324,440             |
| Service Fees                                  | -   | -                      | -                          | 162,791                | 162,791             |
| Total Operating Revenue                       | <u>1,005,056</u>                                | <u>324,440</u>         | <u>2,586,937</u>           | <u>162,791</u>         | <u>4,079,224</u>    |
| Operating Expenses:                           |   |                        |                            |                        |                     |
| Salaries & Employee Benefits                  | 647,715   | 150,528                | 598,748                    | 138,833                | 1,535,824           |
| Supplies and Materials                        | 32,673  | 20,483                 | 128,866                    | -                      | 182,022             |
| Repairs & Other Expenses                      | 31,090  | -                      | 237                        | -                      | 31,327              |
| Other Purchased Services-Contracted           | -   | 12,298                 | 1,832,318                  | -                      | 1,844,616           |
| Depreciation                                  | 45,814  | -                      | -                          | -                      | 45,814              |
| Miscellaneous Expense                         | 3,857   | 38,918                 | -                          | -                      | 42,775              |
| Cost of Sales - Reimbursable                  | 371,736   | -                      | -                          | -                      | 371,736             |
| Cost of Sales - Non-Reimbursable              | 291,794   | -                      | -                          | -                      | 291,794             |
| Total Operating Expenses                      | <u>1,424,679</u>                                | <u>222,227</u>         | <u>2,560,169</u>           | <u>138,833</u>         | <u>4,345,908</u>    |
| Operating (Loss)/Gain                         | <u>(419,623)</u>                                | <u>102,213</u>         | <u>26,768</u>              | <u>23,958</u>          | <u>(266,684)</u>    |
| Nonoperating Revenues:                        |   |                        |                            |                        |                     |
| State Sources:                                |   |                        |                            |                        |                     |
| State School Lunch Program                    | 13,486  | -                      | -                          | -                      | 13,486              |
| Federal Sources:                              |   |                        |                            |                        |                     |
| National School Lunch Program                 | 258,471   | -                      | -                          | -                      | 258,471             |
| Healthy Hunger-Free Kids Act                  | 12,332  | -                      | -                          | -                      | 12,332              |
| Food Distribution Program                     | 79,942  | -                      | -                          | -                      | 79,942              |
| Supply Chain Assistance                       | 95,789  | -                      | -                          | -                      | 95,789              |
| Interest & Dividends                          | 5,456   | -                      | -                          | -                      | 5,456               |
| Total Nonoperating Revenues                   | <u>465,476</u>                                  | <u>-</u>               | <u>-</u>                   | <u>-</u>               | <u>465,476</u>      |
| Net Income/(Loss)                             | <u>45,853</u>                                   | <u>102,213</u>         | <u>26,768</u>              | <u>23,958</u>          | <u>198,792</u>      |
| Other Financing Sources/(Uses):               |   |                        |                            |                        |                     |
| Operating Transfer In/(Out):                  |   |                        |                            |                        |                     |
| Transfer to General Fund                      | -   | -                      | (26,768)                   | (23,958)               | (50,726)            |
| Total Other Financing Sources/(Uses)          | <u>-</u>  | <u>-</u>               | <u>(26,768)</u>            | <u>(23,958)</u>        | <u>(50,726)</u>     |
| Change in Net Position                        | 45,853  | 102,213                | -                          | -                      | 148,066             |
| Total Net Position - Beginning                | <u>1,327,450</u>                                | <u>137,785</u>         | <u>-</u>                   | <u>-</u>               | <u>1,465,235</u>    |
| Total Net Position - Ending                   | <u>\$ 1,373,303</u>                             | <u>\$ 239,998</u>      | <u>\$ -</u>                | <u>\$ -</u>            | <u>\$ 1,613,301</u> |



**KINGSWAY REGIONAL SCHOOL DISTRICT  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
FOR FISCAL YEAR ENDED JUNE 30, 2023**

|  | BUSINESS-TYPE<br>ACTIVITIES |                        | GOVERNMENTAL ACTIVITIES    |                        |              |
|--|-----------------------------|------------------------|----------------------------|------------------------|--------------|
|  | ENTERPRISE FUNDS            |                        | TRANSPORTATION<br>SERVICES | TECHNOLOGY<br>SERVICES | TOTAL        |
|  | FOOD SERVICE<br>FUND        | COMMUNITY<br>EDUCATION |                            |                        |              |
| Cash Flows From Operating Activities:                |                             |                        |                            |                        |              |
| Receipts from Customers                              | \$ 1,054,514                | \$ 324,440             | \$ 2,567,996               | \$ 160,447             | \$ 4,107,397 |
| Payments to Employees                                | (453,506)                   | (150,528)              | (598,718)                  | (117,655)              | (1,320,407)  |
| Payments for Employee Benefits                       | (169,238)                   | -                      | (30)                       | -                      | (169,268)    |
| Payments to Suppliers                                | (737,030)                   | (78,493)               | (2,062,026)                | -                      | (2,877,549)  |
| Net Cash Provided/(Used) by Operating Activities     | (305,260)                   | 95,419                 | (92,778)                   | 42,792                 | (259,827)    |
| Cash Flows From Investing Activities:                |                             |                        |                            |                        |              |
| Interest & Dividends                                 | 5,456                       | -                      | -                          | -                      | 5,456        |
| Purchase of Equipment                                | (208,983)                   | -                      | -                          | -                      | (208,983)    |
| Net Cash Provided by Investing Activities            | (203,527)                   | -                      | -                          | -                      | (203,527)    |
| Cash Flows From Noncapital Financing Activities:     |                             |                        |                            |                        |              |
| Transfer to General Fund                             | -                           | -                      | (26,768)                   | (23,958)               | (50,726)     |
| State Sources  | 14,275                      | -                      | -                          | -                      | 14,275       |
| Federal Sources                                      | 498,252                     | -                      | -                          | -                      | 498,252      |
| Net Cash Provided by Noncapital Financing Activities | 512,527                     | -                      | (26,768)                   | (23,958)               | 461,801      |
| Net Increase/(Decrease) in Cash & Cash Equivalents   | 3,740                       | 95,419                 | (119,546)                  | 18,834                 | (1,553)      |
| Cash and Cash Equivalents, July 1                    | 1,163,853                   | 144,579                | (177,390)                  | (41,666)               | 1,089,376    |
| Cash & Cash Equivalents, June 30                     | \$ 1,167,593                | \$ 239,998             | \$ (296,936)               | \$ (22,832)            | \$ 1,087,823 |

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

|   |              |            |             |           |              |
|---|--------------|------------|-------------|-----------|--------------|
| Cash Provided/(Used) by Operating Activities:   |              |            |             |           |              |
| Operating Income/(Loss)   | \$ (419,623) | \$ 102,213 | \$ 26,768   | \$ 23,958 | \$ (266,684) |
| Adjustments to Reconcile Operating Income/(Loss) to Cash Provided/(Used) by Operating Activities: |              |            |             |           |              |
| Depreciation Expense  | 45,814       | -          | -           | -         | 45,814       |
| Change in Assets & Liabilities:   |              |            |             |           |              |
| (Increase)/Decrease in Inventory  | (5,880)      | -          | -           | -         | (5,880)      |
| (Increase)/Decrease in Interfund Receivable   | -            | -          | 26,767      | (5,124)   | 21,643       |
| (Increase)/Decrease in Accounts Receivable  | -            | -          | (18,941)    | 2,780     | (16,161)     |
| (Increase)/Decrease in Accounts Payable   | -            | (6,794)    | (127,372)   | -         | (134,166)    |
| Increase/(Decrease) in Interfund Payable  | -            | -          | -           | 21,178    | 21,178       |
| Increase/(Decrease) in Unearned Revenue   | 49,458       | -          | -           | -         | 49,458       |
| Increase/(Decrease) in Compensated Absences   | 24,971       | -          | -           | -         | 24,971       |
| Total Adjustments   | 114,363      | (6,794)    | (119,546)   | 18,834    | 6,857        |
| Net Cash Provided/(Used) by Operating Activities  | \$ (305,260) | \$ 95,419  | \$ (92,778) | \$ 42,792 | \$ (259,827) |

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**KINGSWAY REGIONAL SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 1. Summary of Significant Accounting Policies**

The financial statements of the Board of Education of Kingsway Regional School District (the ‘District’) have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of more significant accounting policies.

**Reporting Entity**

The Kingsway Regional School District is a Type II School District located in the County of Gloucester, State of New Jersey. As a Type II School District, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three members’ terms expire each year. The purpose of the School District is to educate students in grades kindergarten through twelfth at its five schools. The School District has an approximate enrollment at June 30, 2023 of 2,906 students.

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

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

There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

**Component Units**

GASB Statement No.14. The Financial Reporting Entity, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, Determining Whether Certain Organizations are Component Units, GASB Statement No. 61, The Financial Reporting Entity: Omnis - an amendment of GASB Statements No. 14 and No. 34, GASB Statement No. 80, Blending Requirements for Certain Component Units – an Amendment of GASB Statement No. 14 and GASB Statement No. 90 – Majority Equity Interests – an Amendment of GASB Statements No. 14 & No. 61. The School District had no component units as of for the year ended June 30, 2023.

**Government-Wide Financial Statements**

The District’s Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the District accompanied by a total column.

These statements are presented on an “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all of the District’s assets, deferred outflows of resources, liabilities, and

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

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

deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

Certain eliminations have been made to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

**Governmental Fund Financial Statements**

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule (Exhibit B-3) is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements. The District has presented all major funds that met those qualifications.

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. (The District’s deferred outflows of resources and deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the District, are property tax and intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

**Proprietary Fund Financial Statements**

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated. A column representing internal service funds is also presented in these statements. However, internal service funds balances and activities have been combined with the governmental activities in the Government-Wide financial statements.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

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

in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year in which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

While government-wide and fund financial statements are presented separately, they are interrelated. The governmental activities column of the government wide statements incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the District's enterprise funds. Separate financial statements are provided for governmental funds and proprietary funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in the governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, charges for services, licenses, and interest on notes receivable associated with the current fiscal period are all considered to be susceptible to accrual and accordingly have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available when cash is received.

**KINGSWAY REGIONAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Food Service Fund and the Community Education program are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, employee salaries and benefits, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Internal service funds are used to account for those operations which provide benefits to other funds, departments, or agencies of the primary government and its component unit. Although internal service funds are reported as a proprietary fund in the fund financial statements, it is incorporated into governmental activities in the government-wide financial statements. The District does not maintain any internal service funds.

The District reports the following major governmental funds:

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

As required by the New Jersey Department of Education the District includes budgeted capital outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, interest earnings and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

**Special Revenue Fund** - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

**Capital Projects Fund** - The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

**Debt Service Fund** - The debt service fund is used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.



**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

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

The District reports the following major proprietary funds:

**Food Service Fund** – This fund accounts for the revenues and expenses pertaining to the District’s cafeteria operations.

**Community Education Program** – The community education fund accounts for the financial transactions related to the revenues and expenses of the District’s Community Education Program.

**Internal Service Funds** – The internal service funds are used in order to account for various shared services provided to other local school districts.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

**Budgets/Budgetary Control**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2-2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23-2-11.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

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

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The budget, as detailed on Exhibit C-1, Exhibit C-2, and Exhibit I-3, includes all amendments to the adopted budget, if any.

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounts as presented in the General Fund Budgetary Comparison Schedules and the Special Revenue Fund Budgetary Comparison Schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds. Note that the District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payments.

**Encumbrances**

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as assigned fund balances at fiscal year-end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet as a reduction of the accounts receivables or as unearned revenue at fiscal year-end.

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

**Cash and Cash Equivalents**

Cash and Cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost.

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

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (“GUDPA”). GUDPA was enacted in 1970 to protect Governmental Units from loss of funds on deposit with a failed banking institution in New Jersey.

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

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

*N.J.S.A.17:9-41* et. Seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

**Tuition Payable/Receivable**

Tuition rates for the fiscal year end June 30, 2023 were established by the receiving district based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

**Inventories**

Inventories are valued at cost, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

**Interfund Receivables/Payables**

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year. The amounts are eliminated in the governmental and business-type activities, which are presented as Internal Balances.

**Capital Assets**

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair value at the date of donation. The District has established a threshold of \$2,000 for capitalization of depreciable assets.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the District are depreciated or amortized using the straight-line method over the following estimated lives:

|                      |               |
|----------------------|---------------|
| Equipment & Vehicles | 3 – 20 Years  |
| Buildings            | 30 – 50 Years |
| Improvements         | 10 – 50 Years |
| Software             | 5 – 7 Years   |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

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

**Compensated Absences**

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

its employees, are accounted for in the period in which such services are rendered or in which such events take place.

The entire compensated absences liability is reported on the government-wide financial statements and proprietary fund financial statements. Compensated absences liability is not recorded in the governmental funds. Instead expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of resignations or retirements.

**Unearned Revenue**

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

**Accrued Liabilities and Long-Term Obligations**

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

**Accounting Estimates**

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

**Interfund Activity**

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Reimbursements from funds responsible for particular

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

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

expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

**Fund Balance**

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the District classifies governmental fund balances as follows:

- Non-spendable – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The School Board did not have any committed resources as of June 30, 2023.
- Assigned – This classification includes amounts that are constrained by the School District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the District's policy to consider restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, it is the District's policy to consider amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

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

**Net Position**

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

- Net Investment in Capital Assets – This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.
- Restricted – Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- Unrestricted – Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

**Impact of Recently Issued Accounting Principles**

**Adopted Accounting Pronouncements**

The following GASB Statements became effective for the fiscal year ended June 30, 2023:

Statement No. 96, *Subscription-Based Information Technology Arrangements*. Statement No. 96 establishes a single approach to accounting and financial reporting for subscription-based information technology arrangements for government end users. Statement No. 96 is effective for reporting periods beginning after June 15, 2022. The District has implemented this standard as of June 30, 2023.

**Recently Issued Accounting Pronouncements**

The GASB has issued the following Statements which will become effective in future years as shown below:

Statement No. 101, *Compensated Absences*. Statement No. 101 aligns the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Statement No. 101 is effective for reporting periods beginning after December 15, 2023. Management has not yet determined the potential impact on the District's financial statements.

**Bond Premiums, Discounts and Issuance Costs**

In the government-wide financial statements and in the proprietary fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when bonds are issued.

In governmental fund financial statements, bond premiums and discounts, as well as debt issuance costs are recognized in the current period. The face amount of the debt is reported as other financing sources. Premiums received on debt issuance are also reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

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

**Deferred Loss on Refunding Debt**

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

**Deferred Outflows and Deferred Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future periods and so will not be recognized as an inflow of resources (revenue) until that time.

**Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan’s fiduciary net position and additions to/deductions from the plan’s fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Note 2. Cash Deposits and Investments**

**Cash Deposits**

**Custodial Credit Risk** – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2023, the District’s bank balance of \$4,938,993 was exposed to custodial credit risk as follows:

|                                |    |           |
|--------------------------------|----|-----------|
| Insured under FDIC and GUDPA   | \$ | 4,077,944 |
| Uninsured and Uncollateralized |    | 861,049   |
|                                | \$ | 4,938,993 |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 2. Cash Deposits and Investments (continued)**

**Investments**

The School District has no investments at June 30, 2023.

**Note 3. Reserve Accounts**

**A. Capital Reserve**

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

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

The activity of the capital reserve for the July 1, 2022 to June 30, 2023 fiscal year is as follows:

|                                 |    |             |
|---------------------------------|----|-------------|
| Beginning Balance, July 1, 2022 | \$ | 3,812,953   |
| Increased by:                   |    |             |
| Deposits approved by Board      |    | 750,000     |
|                                 |    | 4,562,953   |
| Decreased by:                   |    |             |
| Budget Withdrawals              |    | (2,600,000) |
| Ending Balance, June 30, 2023   | \$ | 1,962,953   |

The June 30, 2023 balance did not exceed the LRFP balance of local support costs of uncompleted capital projects.



**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 4. Accounts Receivable**

Accounts receivable at June 30, 2023 consisted of accounts and intergovernmental grants. All state and federal receivables are considered collectible in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds. Accounts receivable as of fiscal year end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

| <u>Description</u> | <u>Governmental Funds</u> |                                     |                                      | <u>Total<br/>Governmental<br/>Activities</u> | <u>Proprietary Funds</u>     |  | <u>Total<br/>Business-Type<br/>Activities</u> |
|--------------------|---------------------------|-------------------------------------|--------------------------------------|--|------------------------------|--|---|
|                    | <u>General<br/>Fund</u>   | <u>Special<br/>Revenue<br/>Fund</u> | <u>Internal<br/>Service<br/>Fund</u> |  | <u>Food Service<br/>Fund</u> |  |   |
| Federal Awards     | \$ -                      | \$ 124,204                          | \$ -                                 | \$ 124,204                                   | \$ 14,849                    |  | \$ 14,849                                     |
| State Awards       | 867,845                   | -                                   | -                                    | 867,845                                      | 743                          |  | 743   |
| Other              | 143,675                   | 53,487                              | 311,238                              | 508,400                                      | 9,066                        |  | 9,066   |
| <b>Total</b>       | <b>\$ 1,011,520</b>       | <b>\$ 177,691</b>                   | <b>\$ 311,238</b>                    | <b>\$ 1,500,449</b>                          | <b>\$ 24,658</b>             |  | <b>\$ 24,658</b>                              |

**5. Capital Assets**

Capital assets activity for the year ended June 30, 2023 was as follows:

|  | <u>Balance<br/>July 1,<br/>2022</u> | <u>Additions</u>    | <u>Retirements<br/>and Transfers</u> | <u>Balance<br/>June 30,<br/>2023</u> |
|--|-------------------------------------|---------------------|--------------------------------------|--------------------------------------|
| <b>Governmental Activities:</b>                          |                                     |                     |                                      |                                      |
| Capital assets not being depreciated:                    |                                     |                     |                                      |                                      |
| Land   | \$ 2,481,278                        | \$ -                | \$ -                                 | \$ 2,481,278                         |
| Construction in Progress                                 | 1,129,314                           | -                   | (369,239)                            | 760,075                              |
| <b>Total Capital Assets not being depreciated</b>        | <b>3,610,592</b>                    | <b>-</b>            | <b>(369,239)</b>                     | <b>3,241,353</b>                     |
| Capital Assets being depreciated:                        |                                     |                     |                                      |                                      |
| Land Improvements  | 9,978,147                           | -                   | 316,340                              | 10,294,487                           |
| Buildings and Improvements                               | 76,549,274                          | 2,406,582           | 33,159                               | 78,989,015                           |
| Equipment  | 9,590,689                           | 1,057,065           | 19,740                               | 10,667,494                           |
| <b>Total Capital Assets being depreciated</b>            | <b>96,118,110</b>                   | <b>3,463,647</b>    | <b>369,239</b>                       | <b>99,950,996</b>                    |
| Less: Accumulated Depreciation:                          |                                     |                     |                                      |                                      |
| Land Improvements  | (5,626,507)                         | (132,603)           | -                                    | (5,759,110)                          |
| Buildings and Improvements                               | (32,537,046)                        | (1,362,321)         | (581,791)                            | (34,481,158)                         |
| Equipment  | (4,866,577)                         | (100,982)           | 581,791                              | (4,385,768)                          |
| <b>Total Accumulated Depreciation</b>                    | <b>(43,030,130)</b>                 | <b>(1,595,906)</b>  | <b>-</b>                             | <b>(44,626,036)</b>                  |
| <b>Total Capital Assets being depreciated, net</b>       | <b>53,087,980</b>                   | <b>1,867,741</b>    | <b>369,239</b>                       | <b>55,324,960</b>                    |
| <b>Total Governmental Activities Capital Assets, net</b> | <b>\$ 56,698,572</b>                | <b>\$ 1,867,741</b> | <b>\$ -</b>                          | <b>\$ 58,566,313</b>                 |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**5. Capital Assets (continued)**

|  | Balance<br>July 1,<br><u>2022</u> | <u>Additions</u>  | Retirements<br>and Transfers | Balance<br>June 30,<br><u>2023</u> |
|--|-----------------------------------|-------------------|------------------------------|------------------------------------|
| <b>Business-Type Activities:</b>                   |                                   |                   |                              |                                    |
| Equipment  | \$ 879,232                        | \$ 208,983        | \$ -                         | \$ 1,088,215                       |
|  | <u>879,232</u>                    | <u>208,983</u>    | <u>-</u>                     | <u>1,088,215</u>                   |
| Less: Accumulated Depreciation:                    |                                   |                   |                              |                                    |
| Equipment  | (734,189)                         | (45,814)          | -                            | (780,003)                          |
|  | <u>(734,189)</u>                  | <u>(45,814)</u>   | <u>-</u>                     | <u>(780,003)</u>                   |
| Total Business-Type Activities Capital Assets, net | <u>\$ 145,043</u>                 | <u>\$ 163,169</u> | <u>\$ -</u>                  | <u>\$ 308,212</u>                  |

**Note 6. Interfund Receivables, Payables and Transfers**

Individual fund receivables/payables balances at June 30, 2023 are as follows:

| <u>Fund</u>           | <u>Interfund<br/>Receivables</u> | <u>Interfund<br/>Payables</u> |
|-----------------------|----------------------------------|-------------------------------|
| General Fund          | \$ 21,178                        | \$ 2,647,606                  |
| Special Revenue Fund  | 2,475                            | -                             |
| Capital Projects Fund | 2,600,000                        | 1,360,651                     |
| Debt Service Fund     | 1,376,074                        | -                             |
| Internal Service Fund | <u>29,708</u>                    | <u>21,178</u>                 |
|                       | <u>\$ 4,029,435</u>              | <u>\$ 4,029,435</u>           |

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

The summary of interfund transfers is as follows:

| <u>Fund</u>           | <u>Transfers In</u> | <u>Transfers Out</u> |
|-----------------------|---------------------|----------------------|
| General Fund          | \$ 50,726           | \$ 2,600,000         |
| Capital Projects Fund | 2,600,000           | -                    |
| Internal Service Fund | <u>-</u>            | <u>50,726</u>        |
|                       | <u>\$ 2,650,726</u> | <u>\$ 2,650,726</u>  |

The purpose of interfund transfers were for the transfer for interest earned on capital project balances that were transferred to debt service to offset future debt payments.

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 7. Long-Term Obligations**

During the fiscal year-ended June 30, 2023 the following changes occurred in long-term obligations:

|                                  | Balance<br><u>July 1, 2022</u> | <u>Additions</u>    | <u>Reductions</u>   | Balance<br><u>June 30, 2023</u> | Balance<br>Due Within<br><u>One Year</u> |
|----------------------------------|--------------------------------|---------------------|---------------------|---------------------------------|--|
| <b>Governmental Activities:</b>  |                                |                     |                     |                                 |  |
| General Obligation Bonds         | \$ 27,830,000                  | \$ -                | \$ 2,615,000        | \$ 25,215,000                   | \$ 2,635,000                             |
| Unamortized Bond Premiums        | 669,081                        | -                   | 165,629             | 503,452                         | 129,360                                  |
| Financed Purchases               | 983,077                        | 1,035,000           | 529,743             | 1,488,334                       | 524,697                                  |
| Subscription Liabilities         | -                              | 365,368             | 72,964              | 292,404                         | 79,721                                   |
| Compensated Absences             | 1,403,801                      | 393,681             | -                   | 1,797,482                       | -  |
| Net Pension Liability            | 7,012,138                      | 1,963,335           | -                   | 8,975,473                       | -  |
|                                  | <u>\$ 37,898,097</u>           | <u>\$ 3,757,384</u> | <u>\$ 3,383,336</u> | <u>\$ 38,272,145</u>            | <u>\$ 3,368,778</u>                      |
| <b>Business-Type Activities:</b> |                                |                     |                     |                                 |  |
| Compensated Absences             | \$ 43,896                      | \$ 24,971           | \$ -                | \$ 68,867                       | \$ -                                     |
|                                  | <u>\$ 43,896</u>               | <u>\$ 24,971</u>    | <u>\$ -</u>         | <u>\$ 68,867</u>                | <u>\$ -</u>                              |

For governmental activities, the bonds payable are liquidated from the District's debt service fund. Compensated absences and capital leases are liquidated by the general fund.

**Bonds Payable:**

The voters of the municipality through referendums authorize bonds in accordance with State Law. All bonds are retired in serial installments within the statutory period of usefulness.

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

On December 4, 2014, the School District issued \$8,730,000 in Refunding Bonds with interest rates ranging from 1.00% to 5.00% to advance refund \$8,730,000 of outstanding 2005 Refunding Bonds with interest rates ranging from 4.00% to 5.00%. As a result of the Refunding Bonds, the District had a net present value savings of \$926,508 based on the yield for the Refunding Bonds.

On October 20, 2016, the School District issued \$8,190,000 of Refunding Bonds to refund the callable portion of the outstanding 2006 Bond Issue. The Refunding Bonds generated \$535,000 in gross debt service savings and an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$1,295,530, or a net annual present value savings of 14.848%. The Refunding Bonds were issued at interest rates varying from 2.00% to 4.00% and mature on January 15, 2031.

On December 20, 2020, the School District issued \$16,625,000 of Refunding Bonds to refund the callable portion of the outstanding 2012 Bond Issue of \$15,749,000. The Refunding Bonds were issued at interest rates varying from 0.369% to 2.77% and mature on February 1, 2037.

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 7. Long-Term Obligations (continued):**

Principal and Interest due on the outstanding bonds is as follows:

| Fiscal Year Ending<br><u>June 30,</u> | <u>Principal</u>     | <u>Interest</u>     | <u>Total</u>         |
|---------------------------------------|----------------------|---------------------|----------------------|
| 2024                                  | \$ 2,635,000         | \$ 648,885          | \$ 3,283,885         |
| 2025                                  | 2,185,000            | 565,248             | 2,750,248            |
| 2026                                  | 2,185,000            | 508,003             | 2,693,003            |
| 2027                                  | 2,210,000            | 448,342             | 2,658,342            |
| 2028                                  | 2,215,000            | 387,330             | 2,602,330            |
| 2029-2033                             | 9,115,000            | 1,159,999           | 10,274,999           |
| 2034-2037                             | 4,670,000            | 305,047             | 4,975,047            |
|                                       | <u>\$ 25,215,000</u> | <u>\$ 4,022,854</u> | <u>\$ 29,237,854</u> |

**Loans Payable**

The District currently has two loans outstanding, one for technology and one for various improvements and assets of the District. Principal and interest due on the outstanding loans is as follows:

| Fiscal Year Ending<br><u>June 30,</u> | <u>Principal</u>    | <u>Interest</u>  | <u>Total</u>        |
|---------------------------------------|---------------------|------------------|---------------------|
| 2024                                  | \$ 524,697          | \$ 28,416        | \$ 553,113          |
| 2025                                  | 538,509             | 27,232           | 565,741             |
| 2026                                  | 209,350             | 13,051           | 222,401             |
| 2027                                  | 215,778             | 6,624            | 222,402             |
|                                       | <u>\$ 1,488,334</u> | <u>\$ 75,323</u> | <u>\$ 1,563,657</u> |

**SBITA Liabilities**

The School District has entered into subscription-based information technology arrangements (SBITAs) for various software subscription services. The SBITAs qualify as other than short-term arrangements under GASB 96, and therefore, have been recorded at present value of future minimum lease payments as of the date of their inception.

On 07/01/2022, Kingsway Regional School District, NJ entered into a 36 month subscription for the use of Brainpop.Com. An initial subscription liability was recorded in the amount of \$10,293.51. As of 06/30/2024, the value of the subscription liability is \$3,439.87. Kingsway Regional School District, NJ is required to make annual fixed payments of \$3,515.00. The subscription has an interest rate of 2.1840%. The value of the right to use asset as of 06/30/2024 of \$10,293.51 with accumulated amortization of \$6,862.34 is included with Software on the Subscription Class activities table found below. Kingsway Regional School District, NJ has 1 extension option(s), each for 24 months.

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 7. Long-Term Obligations (continued)**

**SBITA Liabilities (continued)**

On 10/20/2022, Kingsway Regional School District, NJ entered into a 48 month subscription for the use of Genesis SchoolFi. An initial subscription liability was recorded in the amount of \$106,165.12. As of 06/30/2024, the value of the subscription liability is \$53,902.71. Kingsway Regional School District, NJ is required to make annual variable fixed in substance principal and interest payments of \$28,280.00. The subscription has an interest rate of 3.2690%. The value of the right to use asset as of 06/30/2024 of \$110,665.12 with accumulated amortization of \$46,955.82 is included with Software on the Subscription Class activities table found below. Kingsway Regional School District, NJ has 1 extension option(s), each for 36 months.

On 10/27/2022, Kingsway Regional School District, NJ entered into a 72 month subscription for the use of Genesis SIS. An initial subscription liability was recorded in the amount of \$50,260.17. As of 06/30/2024, the value of the subscription liability is \$41,503.12. Kingsway Regional School District, NJ is required to make annual variable fixed in substance principal and interest payments of \$11,250.00. The subscription has an interest rate of 3.3310%. The value of the right to use asset as of 06/30/2024 of \$50,260.17 with accumulated amortization of \$14,054.23 is included with Software on the Subscription Class activities table found below. Kingsway Regional School District, NJ has 1 extension option(s), each for 60 months.

On 07/01/2022, Kingsway Regional School District, NJ entered into a 60 month subscription for the use of Microsoft Volume Licensing. An initial subscription liability was recorded in the amount of \$134,640.46. As of 06/30/2024, the value of the subscription liability is \$81,103.02. Kingsway Regional School District, NJ is required to make annual variable fixed in substance principal and interest payments of \$28,136.00. The subscription has an interest rate of 2.0240%. The value of the right to use asset as of 06/30/2024 of \$134,640.46 with accumulated amortization of \$53,381.68 is included with Software on the Subscription Class activities table found below. Kingsway Regional School District, NJ has 1 extension option(s), each for 36 months.

On 07/01/2022, Kingsway Regional School District, NJ entered into a 60 month subscription for the use of Panopto. An initial subscription liability was recorded in the amount of \$39,348.30. As of 06/30/2024, the value of the subscription liability is \$24,501.55. Kingsway Regional School District, NJ is required to make annual fixed payments of \$7,200.00. The subscription has an interest rate of 2.0240%. The value of the right to use asset as of 06/30/2024 of \$42,348.30 with accumulated amortization of \$16,939.32 is included with Software on the Subscription Class activities table found below. Kingsway Regional School District, NJ has 1 extension option(s), each for 36 months.

On 07/01/2022, Kingsway Regional School District, NJ entered into a 36 month subscription for the use of Pear Deck. An initial subscription liability was recorded in the amount of \$24,660.98. As of 06/30/2024, the value of the subscription liability is \$8,233.36. Kingsway Regional School District, NJ is required to make annual variable fixed in substance principal and interest payments of \$8,400.00. The subscription has an interest rate of 2.0240%. The value of the right to use asset as of 06/30/2024 of \$24,660.98 with accumulated amortization of \$16,440.66 is included with Software on the Subscription Class activities table found below. Kingsway Regional School District, NJ has 1 extension option(s), each for 24 months.

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 7. Long-Term Obligations (continued)**

**SBITA Liabilities (continued)**

The future minimum SBITA obligations as of June 30, 2023 were as follows:

| Fiscal Year Ending<br><u>June 30,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|---------------------------------------|------------------|-----------------|--------------|
| 2024                                  | \$ 79,721        | \$ 8,361        | \$ 88,082    |
| 2025                                  | 82,572           | 5,109           | 87,681       |
| 2026                                  | 72,778           | 3,388           | 76,166       |
| 2027                                  | 46,446           | 1,440           | 47,886       |
| 2028                                  | 10,887           | 363             | 11,250       |
|                                       | \$ 292,404       | \$ 18,661       | \$ 311,065   |

**Bonds Authorized But Not Issued:**

As of June 30, 2023, the District had no authorized but not issued bonds.

**Note 8. Pension Plans**

**A. Public Employees' Retirement System (PERS)**

**Plan Description** - The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to Division's annual financial statements, which can be found at [www.state.nj.us/treasury/pensions/annual-reports.shtml](http://www.state.nj.us/treasury/pensions/annual-reports.shtml).

The vesting and benefit provisions are set by *N.J.S.A. 43:15A*. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service.

The following represents the membership tiers for PERS:

| <u>Tier</u> | <u>Definition</u>  |
|-------------|--|
| 1           | Members who were enrolled prior to July 1, 2007  |
| 2           | Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008 |
| 3           | Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010 |
| 4           | Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011    |
| 5           | Members who were eligible to enroll on or after June 28, 2011                              |

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 8. Pension Plans (continued)**

**A. Public Employees' Retirement System (PERS) (continued)**

years of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

**Contributions** - The contribution policy for PERS is set by *N.J.S.A. 15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for the noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2022, the State's pension contribution was more than the actuarial determined amount.

The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

**Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources** - At June 30, 2023, the School District reported a liability of \$8,975,473 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2021, to the measurement date of June 30, 2022. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2022. The School District's proportion measured as of June 30, 2022, was 0.059474%, which was an increase of 0.00028% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the School District recognized full accrual pension expense/(benefit) of \$(839,915) in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2022 measurement date. At June 30, 2023 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 8. Pension Plans (continued)**

**A. Public Employees' Retirement System (PERS) (continued)**

|   | <u>Deferred Outflows<br/>of Resources</u> | <u>Deferred Inflows<br/>of Resources</u> |
|---|---|--|
| Differences between Expected<br>and Actual Experience   | \$ 64,781                                 | \$ 57,128                                |
| Changes of Assumptions  | 27,809                                    | 1,343,984                                |
| Net Difference between Projected<br>and Actual Earnings on Pension<br>Plan Investments                              | 371,487                                   | -  |
| Changes in Proportion and Differences<br>between District Contributions and<br>Proportionate Share of Contributions | 220,387                                   | 445,002                                  |
| School District Contributions Subsequent<br>to Measurement Date   | <u>809,901</u>                            | <u>-</u>                                 |
|   | <u>\$ 1,494,365</u>                       | <u>\$ 1,846,114</u>                      |

\$809,901 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is based on the amount payable to the State due April 1, 2024 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| <b>Year Ending<br/><u>Dec 31,</u></b> | <b><u>Amount</u></b>  |
|---------------------------------------|-----------------------|
| 2023                                  | \$ (954,460)          |
| 2024                                  | (486,266)             |
| 2025                                  | (237,142)             |
| 2026                                  | 517,355               |
| 2027                                  | <u>(1,137)</u>        |
|                                       | <u>\$ (1,161,650)</u> |

The amortization of the above other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:



**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 8. Pension Plans (continued)**

**A. Public Employees' Retirement System (PERS) (continued)**

|  | <b><u>Deferred<br/>Outflow of<br/>Resources</u></b> | <b><u>Deferred<br/>Inflow of<br/>Resources</u></b> |
|--|---|--|
| Differences between Expected<br>and Actual Experience  |   |  |
| Year of Pension Plan Deferral:   |   |  |
| June 30, 2017  | 5.48  | -  |
| June 30, 2018  | -   | 5.63   |
| June 30, 2019  | 5.21  | -  |
| June 30, 2020  | -   | 5.16   |
| June 30, 2021  | 5.13  | -  |
| <br>Changes of Assumptions   |   |  |
| Year of Pension Plan Deferral:   |   |  |
| June 30, 2017  | -   | 5.48   |
| June 30, 2018  | -   | 5.63   |
| June 30, 2019  | -   | 5.21   |
| June 30, 2020  | -   | 5.16   |
| June 30, 2021  | 5.13  | -  |
| June 30, 2022  |   | 5.04   |
| <br>Net Difference between Projected<br>and Actual Earnings on Pension<br>Plan Investments                     |   |  |
| Year of Pension Plan Deferral:   |   |  |
| June 30, 2017  | 5.00  | -  |
| June 30, 2018  | 5.00  | -  |
| June 30, 2019  | 5.00  | -  |
| June 30, 2020  | -   | 5.00   |
| June 30, 2021  | 5.00  | -  |
| June 30, 2022  | 5.00  |  |
| <br>Changes in Proportion and Differences<br>between Contributions and<br>Proportionate Share of Contributions |   |  |
| Year of Pension Plan Deferral:   |   |  |
| June 30, 2017  | 5.48  | 5.48   |
| June 30, 2018  | 5.63  | 5.63   |
| June 30, 2019  | 5.21  | 5.21   |
| June 30, 2020  | 5.16  | 5.16   |
| June 30, 2021  | 5.13  | 5.13   |
| June 30, 2022  | 5.04  | 5.04   |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 8. Pension Plans (continued)**

**A. Public Employees' Retirement System (PERS) (continued)**

**Actuarial Assumptions** – The collective total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following assumptions:

|  |  |
|--|--|
| Inflation  |  |
| Price  | 2.75%  |
| Wage   | 3.25%  |
| Salary Increases:  |  |
| Through 2027   | 2.85 - 6.55% Based on Years of Service   |
| Thereafter   | 2.75 - 6.55% Based on Years of Service   |
| Investment Rate of Return  | 7.00%  |
| Mortality Rate Table   |  |
| PERS   | Pub-2010 General Classification Headcount weighted mortality<br>with fully generational mortality improvement projections<br>from the central year using Scale MP-2021 |
| Period of Actuarial Experience<br>Study upon which Actuarial<br>Assumptions were Based | July 1, 2018 - June 30, 2021   |

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee Mortality Table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

**Long-Term Expected Rate of Return** - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2022 are summarized in the following table:

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 8. Pension Plans (continued)**

**A. Public Employees' Retirement System (PERS) (continued)**

| <u>Asset Class</u>                | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|-----------------------------------|--------------------------|---|
| U.S. Equity                       | 27.00%                   | 8.12%   |
| Non-U.S. Developed Markets Equity | 13.50%                   | 8.37%   |
| Emerging Markets Equity           | 5.50%                    | 10.33%  |
| Private Equity                    | 13.00%                   | 11.80%  |
| Real Estate                       | 8.00%                    | 11.19%  |
| Real Assets                       | 3.00%                    | 7.60%   |
| High Yield                        | 4.00%                    | 4.95%   |
| Private Credit                    | 8.00%                    | 8.10%   |
| Investment Grade Credit           | 7.00%                    | 3.38%   |
| Cash Equivalents                  | 4.00%                    | 1.75%   |
| U.S. Treasuries                   | 4.00%                    | 1.75%   |
| Risk Mitigation Strategies        | 3.00%                    | 4.91%   |
|                                   | 100.00%                  |   |

**Discount Rate** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments in determining the total pension liability.

**Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate** - The following presents the School District's proportionate share of the net pension liability as of June 30, 2022, calculated using the discount rate of 7.00% as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

|  | <b>1%<br/>Decrease<br/>(6.00%)</b> | <b>Current<br/>Discount Rate<br/>(7.00%)</b> | <b>1%<br/>Increase<br/>(8.00%)</b> |
|--|------------------------------------|--|------------------------------------|
| District's Proportionate Share<br>of the Net Pension Liability | \$ 11,628,508                      | \$ 8,975,473                                 | \$ 6,858,336                       |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 8. Pension Plans (continued)**

**A. Public Employees' Retirement System (PERS) (continued)**

**Additional Information** - The following is a summary of the collective balances of the local group at June 30, 2023 and 2022:

**Balances at June 30, 2023 and June 30, 2022**

|  | <u>6/30/2023</u> | <u>6/30/2022</u> |
|--|------------------|------------------|
| Actuarial valuation date (including roll forward)            | June 30, 2022    | June 30, 2021    |
| Collective Deferred Outflows of Resources                    | \$ 1,660,772,008 | \$ 1,164,738,169 |
| Collective Deferred Inflows of Resources                     | 3,236,303,935    | 8,339,123,762    |
| Collective Net Pension Liability                             | 15,219,184,920   | 11,972,782,878   |
| District's portion of the Plan's total Net Pension Liability | 0.059474%        | 0.059192%        |

**Special Funding Situation** – Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, are Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The amounts contributed on behalf of the local participating employers under the legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under the legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to the legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employers as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

The State's proportionate share of the PERS net pension liability associated with the special funding situation is \$-0- as of June 30, 2023. The State's proportionate share of the contribution associated with the special funding situation was \$18,885 as of June 30, 2023. These are based on measurements as of June 30, 2022.

**B. Teachers' Pension and Annuity Fund (TPAF)**

**Plan Description** - The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special-funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. TPAF is administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about TPAF, please refer to Division's Annual Comprehensive Financial Report (ACFR) which can be found at [www.state.nj.us/treasury/pensions/annrprts.shtml](http://www.state.nj.us/treasury/pensions/annrprts.shtml).

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 8. Pension Plans (continued)**

**B. Teachers' Pension and Annuity Fund (TPAF) (continued)**

The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

The following represents the membership tiers for TPAF:

| <u>Tier</u> | <u>Definition</u>  |
|-------------|--|
| 1           | Members who were enrolled prior to July 1, 2007  |
| 2           | Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008 |
| 3           | Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010 |
| 4           | Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011    |
| 5           | Members who were eligible to enroll on or after June 28, 2011                              |

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit, and tier 5 before age 65 with 30 or more years of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

**Contributions** - The contribution policy for TPAF is set by *N.J.S.A 18A:66* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For fiscal year 2022, the State's pension contribution was more than the actuarial determined amount.

As mentioned previously, the employer contributions for local participating employers are legally required to be funded by the State in accordance with *N.J.S.A 18:66-33*. Therefore, the School District is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the School District does not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers.

**Pension Liability and Pension Expense** - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2023 was \$72,161,372. The School District's proportionate share was \$-0-.

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 8. Pension Plans (continued)**

**B. Teachers' Pension and Annuity Fund (TPAF) (continued)**

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The State's proportionate share of the net pension liability associated with the School District was based on projection of the State's long-term contributions to the pension plan associated with the School District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2022, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.13986%, which was an increase of 0.00221% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the School District recognized \$1,942,064 in on-behalf pension expense and revenue in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense and revenue was based on the pension plans June 30, 2022 measurement date.

**Actuarial Assumptions** – The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

|                           |   |
|---------------------------|---|
| Inflation rate:           |   |
| Price                     | 2.75%                                   |
| Wage                      | 3.25%                                   |
| Salary Increases:         | 2.75-5.65% based on<br>years of service |
| Investment Rate of Return | 7.00%                                   |

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 8. Pension Plans (continued)**

**B. Teachers' Pension and Annuity Fund (TPAF) (continued)**

**Long-Term Expected Rate of Return** - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2021 are summarized in the following table:

| <u>Asset Class</u>                | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|-----------------------------------|--------------------------|---|
| U.S. Equity                       | 27.00%                   | 8.12%   |
| Non-U.S. Developed Markets Equity | 13.50%                   | 8.37%   |
| Emerging Markets Equity           | 5.50%                    | 10.33%  |
| Private Equity                    | 13.00%                   | 11.80%  |
| Real Estate                       | 8.00%                    | 11.19%  |
| Real Assets                       | 3.00%                    | 7.60%   |
| High Yield                        | 4.00%                    | 4.95%   |
| Private Credit                    | 8.00%                    | 8.10%   |
| Investment Grade Credit           | 7.00%                    | 3.38%   |
| Cash Equivalents                  | 4.00%                    | 1.75%   |
| U.S. Treasuries                   | 4.00%                    | 1.75%   |
| Risk Mitigation Strategies        | 3.00%                    | 4.91%   |
|                                   | <u>100.00%</u>           |   |

**Discount Rate** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments in determining the total pension liability.

**Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate** - As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. The following represents the State's proportionate share of the net pension liability, attributable to the School District calculated using the discount rate of 7.00% as well as what the State's proportionate share of the net pension liability, attributable to the School District's would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 8. Pension Plans (continued)**

**B. Teachers' Pension and Annuity Fund (TPAF) (continued)**

|  | <b>1%<br/>Decrease<br/><u>(6.00%)</u></b> | <b>Current<br/>Discount Rate<br/><u>(7.00%)</u></b> | <b>1%<br/>Increase<br/><u>(8.00%)</u></b> |
|--|---|---|---|
| School District's Proportionate Share<br>of the Net Pension Liability  | \$ -                                      | \$ -  | \$ -                                      |
| State of New Jersey's Proportionate<br>Share of Net Pension Liability<br>associated with the School District | <u>84,610,742</u>                         | <u>72,161,372</u>                                   | <u>61,674,342</u>                         |
|  | <u>\$ 84,610,742</u>                      | <u>\$ 72,161,372</u>                                | <u>\$ 61,674,342</u>                      |

**Pension Plan Fiduciary Net Position** - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers Pension and Annuity Fund (TPAF) and additions to/deductions from the TPAF's fiduciary net position have been determined on the same basis as they are reported by the TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Additional Information** – The following is a summary of the collective balances of the local group at June 30, 2023 and 2022:

**Balances at June 30, 2023 and June 30, 2022**

|  | <u>6/30/2023</u> | <u>6/30/2022</u> |
|--|------------------|------------------|
| Actuarial valuation date (including roll forward)            | June 30, 2022    | June 30, 2021    |
| Collective Deferred Outflows of Resources                    | \$ 5,004,259,312 | \$ 6,373,530,834 |
| Collective Deferred Inflows of Resources                     | 19,682,774,794   | 27,363,797,906   |
| Collective Net Pension Liability                             | 51,676,587,303   | 48,165,991,182   |
| District's portion of the Plan's total Net Pension Liability | 0.13986%         | 0.13765%         |



**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 8. Pension Plans (continued)**

**C. Defined Contribution Plan (DCRP)**

**Plan Description** - The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of N.J.S.A. 43:15C-1 et seq. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in the Public Employees' Retirement System (PERS) or Teachers' Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits
- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually. The minimum salary in 2020 is \$8,300 and is subject to adjustment in future years.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per
- week for State employees, or 32 hours per week for local government or local education employees

**Contributions** - The contribution policy is set by N.J.S.A. 43:15C-3 and requires active members and contribution employers. When enrolled in the DCRP, members are required to contribute 5.5% of their base salary to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP investments with the Division of Pension and Benefits. Member contributions are matched by a 3% contribution from the School District.

For the year ended June 30, 2023, employee contributions totaled \$23,901, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$23,303.

**Note 9. Other Post-Retirement Benefits**

**General Information about the OPEB Plan**

The State of New Jersey reports a liability as a result of its statutory requirements to pay other postemployment (health) benefits for State Health Benefit Local Education Retired Employees Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 9. Other Post-Retirement Benefits (continued)**

**General Information about the OPEB Plan (continued)**

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 52:14-17.32f. According to N.J.S.A 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

The total nonemployer OPEB liability does not include certain other postemployment benefit obligations that are provided by the local education employers. The reporting of these benefits is the responsibility of the individual local education employers.

**Basis of Presentation**

The Schedule presents the State of New Jersey's obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles.

Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**Total Nonemployer OPEB Liability**

The total nonemployer OPEB liability as of June 30, 2022, was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Total Nonemployer OPEB Liability:                   \$     50,646,462,966

|                   | <b>TPAF/ABP</b>                              | <b>PERS</b>                                  | <b>PFRS</b>                                   |
|-------------------|--|--|---|
| Salary Increases: | 2.75 - 4.25%<br>based on years of<br>service | 2.75 - 6.55%<br>based on years of<br>service | 3.25 - 16.25%<br>based on years of<br>service |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 9. Other Post-Retirement Benefits (continued)**

Preretirement mortality rates were based on the Pub-2010 Healthy “Teachers” (TPAF/ABP), “General” (PERS), and “Safety” (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality was based on the Pub-2010 “General” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021 for current disabilities. Future disabled retirees was based on the Pub-2010 “Safety” (PFRS), “General” (PERS), and “Teachers” (TPAF/ABP) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Actuarial assumptions used in the July 1, 2021 valuation were based on the results of TPAF, PERS and PFRS experience studies prepared for July 1, 2018 to June 30, 2021.

**OPEB Obligation and OPEB Expense** - The State’s proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2022 was \$66,533,902. The School District’s proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2022, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The State’s proportionate share of the OPEB Obligation associated with the District was based on projection of the State’s long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2022, the State proportionate share of the OPEB Obligation attributable to the School District was 0.13137%, which was a decrease of 0.00048% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the State of New Jersey recognized an OPEB expense in the amount of \$3,247,986 for the State’s proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2022 measurement date.

**Health Care Trend Assumptions**

For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.50% long-term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increased to 13.44% in fiscal year 2026 and decreased to 4.50% in fiscal year 2033. For HMO the trend is initially -3.54% in fiscal year 2023, increased to 15.19% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreased to a 4.50% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

**Discount Rate**

The discount rate for June 30, 2022 was 3.54%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 9. Other Post-Retirement Benefits (continued)**

**Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate**

The following presents the total nonemployer OPEB liability as of June 30, 2022, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

|  | <b>June 30, 2022</b>      |                             |                           |
|--|---------------------------|-----------------------------|---------------------------|
|  | At 1% Decrease<br>(2.54%) | At Discount<br>Rate (3.54%) | At 1% Increase<br>(4.54%) |
| State of New Jersey's<br>Proportionate Share of Total OPEB<br>Obligations Associated with<br>the School District | \$ 78,203,603             | \$ 66,533,902               | \$ 57,181,220             |
| State of New Jersey's<br>Total Non- employer Liability   | \$ 59,529,589,697         | \$ 50,646,462,966           | \$ 43,527,080,995         |

**Sensitivity of Total Nonemployer OPEB Liability to changes in the healthcare trend rate**

The following presents the total nonemployer OPEB liability as of June 30, 2022, calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1- percentage point lower or 1-percentage point higher than the current rate:

|  | <b>June 30, 2022</b> |                                 |                   |
|--|----------------------|---------------------------------|-------------------|
|  | 1% Decrease          | Healthcare Cost<br>Trend Rate * | 1% Increase       |
| State of New Jersey's<br>Proportionate Share of Total OPEB<br>Obligations Associated with the School<br>District | \$ 54,994,337        | \$ 66,533,902                   | \$ 81,691,822     |
| State of New Jersey's<br>Total Nonemployer OPEB Liability  | \$ 41,862,397,291    | \$ 50,646,462,966               | \$ 62,184,866,635 |

\* See Healthcare Cost Trend Assumptions for details of rates.

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 9. Other Post-Retirement Benefits (continued)**

**Additional Information**

Collective balances of the Local Group at June 30, 2022 are as follows:

|  | Deferred Outflows of<br>Resources | Deferred Inflows of<br>Resources |
|--|-----------------------------------|----------------------------------|
| Change in Proportion   | \$ -                              | \$ -                             |
| Differences between Expected<br>& Actual Experience  | 9,042,402,619                     | (15,462,950,679)                 |
| Change in Assumptions  | 8,765,620,577                     | (17,237,289,230)                 |
| Contributions Made in Fiscal Year<br>Year Ending 2020 After June 30,<br>2019 Measurement Date ** | TBD                               | -                                |
|  | \$ 17,808,023,196                 | \$ (32,700,239,909)              |

\*\* Employer Contributions made after June 30, 2022 are reported as a deferred outflow of resources, but are not amortized in expense.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Fiscal Year<br>Ending June 30, |    |                  |
|--------------------------------|----|------------------|
| 2023                           | \$ | (2,517,151,602)  |
| 2024                           |    | (2,517,151,602)  |
| 2025                           |    | (2,517,151,602)  |
| 2026                           |    | (2,175,449,761)  |
| 2027                           |    | (1,243,951,140)  |
| Thereafter                     |    | (3,921,361,006)  |
|                                | \$ | (14,892,216,713) |

**Plan Membership**

At June 30, 2021, the Program membership consisted of the following:

|  | June 30, 2021 |
|--|---------------|
| Active Plan Members  | 213,148       |
| Inactive Plan Members or Beneficiaries<br>Currently Receiving Benefits | 151,669       |
|  | 364,817       |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 9. Other Post-Retirement Benefits (continued)**

**Changes in the Total OPEB Liability**

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2023 (measurement date June 30, 2022) is as follows:

**Total OPEB Liability**

|   |                          |
|---|--------------------------|
| Service Cost                                    | \$ 2,770,618,025         |
| Interest Cost                                   | 1,342,187,139            |
| Difference Between Expected & Actual Experience | 1,399,200,736            |
| Change in Benefit Terms                         | -                        |
| Changes of Assumptions                          | (13,586,368,097)         |
| Contributions: Member                           | 42,650,252               |
| Gross Benefit Payments                          | <u>(1,329,476,059)</u>   |
| Net Change in Total OPEB Liability              | (9,361,188,004)          |
| Total OPEB Liability (Beginning)                | <u>60,007,650,970</u>    |
| Total OPEB Liability (Ending)                   | <u>\$ 50,646,462,966</u> |
| Total Covered Employee Payroll                  | \$ 14,753,355,408        |
| Net OPEB Liability as a Percentage of Payroll   | 343%                     |

**Note 10. On-Behalf Payments for Fringe Benefits and Salaries**

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2022, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$5,889,793, \$1,393,111, \$1,547,235 and \$3,468, respectively.

**Note 11. Risk Management**

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

**Property and Liability Insurance** – The District maintains commercial insurance coverage for property, liability, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report.

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 11. Risk Management (continued)**

**New Jersey Unemployment Compensation Insurance** – The District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of School District contributions, reimbursements to the State for benefits paid and the ending balance of the School District’s trust fund for the current and previous two years:

| <u>Fiscal Year</u> | <u>School District<br/>Contributions</u> | <u>Employee<br/>Contributions</u> | <u>Interest<br/>Earnings</u> | <u>Amount<br/>Reimbursed</u> | <u>Ending<br/>Balance</u> |
|--------------------|--|-----------------------------------|------------------------------|------------------------------|---------------------------|
| 2022-2023          | \$ -                                     | \$ -                              | \$ -                         | \$ 57,156                    | \$ 38,768                 |
| 2021-2022          | -  | -                                 | -                            | -                            | 95,924                    |
| 2020-2021          | -  | -                                 | -                            | -                            | 95,924                    |

**Note 12. Contingencies**

**State and Federal Grantor Agencies** - The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2023 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

**Pending Litigation** – The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the Districts’ attorney that resolution of these matters will not have a material adverse effect on the financial condition of the District.

**Note 13. Economic Dependency**

The District receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, could have an effect on the District’s programs and activities.

**Note 14. Deferred Compensation**

The School District offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

- |  |  |
|--|--|
| Lincoln Investment Planning, Inc.<br>Siracusa Befits Program | The Equitable Life Assurance Society of the US<br>403(b) ASP |
|--|--|

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 15. Compensated Absences**

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

District employees are granted varying amount of vacation and sick leave in accordance with the District's personnel policies. The District policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement employees shall be paid by the District for the unused sick leave in accordance with Districts' agreements with the various employee unions.

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net position under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2023 is \$1,797,482.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2023 the liability for compensated absences in the proprietary fund types is \$68,867.

**Note 16. Tax Abatements**

As defined by the Governmental Accounting Standards Board (GASB) Statement No. 77, a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

For a local school district board of education or board of school estimate that has elected to raise their minimum tax levy using the required local share provisions at N.J.S.A. 18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth.

**Note 17. Calculation of Excess Surplus**

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2023 was \$359,936.



**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 18. Fund Balance**

**General Fund** – Of the \$2,355,560 General Fund fund balance at June 30, 2023, \$1,962,953 has been reserved in the Capital Reserve Account; \$359,936 has been restricted for current year excess surplus; \$107,233 has been committed to encumbrances; \$38,768 has been reserved in the Unemployment Reserve; \$232,781 has been assigned and designated for subsequent year’s expenditures and \$(346,111) is unassigned.

**Special Revenue Fund-** Of the \$384,168 Special Revenue Fund fund balance at June 30,2023, \$181,126 has been restricted for Scholarships; \$203,042 is restricted for Student Activities.

**Capital Projects Fund** – Of the \$125,538 Capital Projects Fund fund balance at June 30, 2023, \$46,251 is restricted for capital projects; \$79,287 has been reserved for encumbrances.

**Note 19. Intangible Assets (SBITAs)**

The School District has recorded intangible assets as a result of implementing GASB 96. The assets are subscription based information technology arrangements for various software throughout the District. The related liability is discussed in the SBITA subsection of Note 7, Long-Term Obligations. The intangible asset is amortized on a straight-line basis over the terms of the related subscription arrangement.

Intangible asset activity for the School District for the year ended June 30, 2023, was as follows:

|                                      | Balance as of<br>June 30, 2022 | Increases         | Decreases   | Balance as of<br>June 30, 2023 |
|--------------------------------------|--------------------------------|-------------------|-------------|--------------------------------|
| <b>Intangible Assets (SBITAs):</b>   |                                |                   |             |                                |
| Pear Deck                            | \$ -                           | \$ 24,661         | \$ -        | \$ 24,661                      |
| Panopto                              | -                              | 42,348            | -           | 42,348                         |
| Microsoft                            | -                              | 134,640           | -           | 134,640                        |
| Genesis SchoolFi                     | -                              | 110,665           | -           | 110,665                        |
| Brainpop                             | -                              | 10,294            | -           | 10,294                         |
| Genesis SIS                          | -                              | 50,260            | -           | 50,260                         |
| Total Intangible Assets              | -                              | 372,868           | -           | 372,868                        |
| <b>Less accumulated amortization</b> |                                |                   |             |                                |
| Pear Deck                            | -                              | (8,220)           | -           | (8,220)                        |
| Panopto                              | -                              | (8,470)           | -           | (8,470)                        |
| Microsoft                            | -                              | (26,691)          | -           | (26,691)                       |
| Genesis SchoolFi                     | -                              | (25,899)          | -           | (25,899)                       |
| Brainpop                             | -                              | (3,431)           | -           | (3,431)                        |
| Genesis SIS                          | -                              | (5,678)           | -           | (5,678)                        |
| Total accumulated amortization       | -                              | (78,389)          | -           | (78,389)                       |
| <b>Intangible Assets, net</b>        | <b>\$ -</b>                    | <b>\$ 294,479</b> | <b>\$ -</b> | <b>\$ 294,479</b>              |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 20. Subsequent Events**

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2023 and January 8, 2023, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items have come to the attention of the School District that would require disclosure.

**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

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### C. Budgetary Comparison Schedules

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**KINGSWAY REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

|  | ACCOUNT NUMBERS | JUNE 30, 2023     |                  |                   |                   | POSITIVE/<br>(NEGATIVE)<br>FINAL TO<br>ACTUAL |
|--|-----------------|-------------------|------------------|-------------------|-------------------|---|
|  |                 | ORIGINAL BUDGET   | BUDGET TRANSFERS | FINAL BUDGET      | ACTUAL            |   |
| <b>Revenues:</b>                                     |                 |                   |                  |                   |                   |   |
| Local Tax Levy                                       | 10-1210         | \$ 23,961,044     | \$ -             | \$ 23,961,044     | \$ 23,961,044     | \$ -  |
| Tuition From Other LEAs Within the State             | 10-1320         | 3,032,766         | -                | 3,032,766         | 3,032,766         | -   |
| Tuition From Other Gov't Sources Within the State    | 10-1321         | -                 | -                | -                 | 6,677             | 6,677   |
| Transportation Fees from Other LEAs                  | 10-1420         | -                 | -                | -                 | 523               | 523   |
| Rents and Royalties                                  | 10-1910         | 10,000            | -                | 10,000            | 71,338            | 61,338  |
| Interest Earned on Capital Reserve                   |                 | 1,000             | -                | 1,000             | -                 | (1,000)                                       |
| Miscellaneous Revenues                               | 10-1XXX         | 180,907           | -                | 180,907           | 436,703           | 255,796                                       |
| <b>Total Local Sources</b>                           |                 | <b>27,185,717</b> | <b>-</b>         | <b>27,185,717</b> | <b>27,509,051</b> | <b>323,334</b>                                |
| <b>Federal Sources:</b>                              |                 |                   |                  |                   |                   |   |
| Medicaid Reimbursement (SEMI)                        | 10-4200         | 33,665            | -                | 33,665            | 15,551            | (18,114)                                      |
| <b>Total Federal Sources</b>                         |                 | <b>33,665</b>     | <b>-</b>         | <b>33,665</b>     | <b>15,551</b>     | <b>(18,114)</b>                               |
| <b>State Sources:</b>                                |                 |                   |                  |                   |                   |   |
| Equalization Aid                                     | 10-3176         | 16,255,105        | -                | 16,255,105        | 16,255,105        | -   |
| Categorical Special Education Aid                    | 10-3132         | 2,148,364         | -                | 2,148,364         | 2,148,364         | -   |
| Categorical Security Aid                             | 10-3177         | 232,812           | -                | 232,812           | 232,812           | -   |
| Categorical Transportation Aid                       | 10-3121         | 1,518,262         | -                | 1,518,262         | 1,518,262         | -   |
| Extraordinary Aid                                    | 10-3131         | 250,000           | -                | 250,000           | 739,142           | 489,142                                       |
| Other State Aid                                      | 10-3xxx         | -                 | -                | -                 | 60,840            | 60,840  |
| <b>Nonbudgeted:</b>                                  |                 |                   |                  |                   |                   |   |
| On-Behalf TPAF Pension Contribution                  |                 | -                 | -                | -                 | 5,889,793         | 5,889,793                                     |
| On-Behalf Post Retirement Medical Contribution       |                 | -                 | -                | -                 | 1,547,235         | 1,547,235                                     |
| On-Behalf Long-Term Disability Insurance             |                 | -                 | -                | -                 | 3,468             | 3,468   |
| Reimbursed TPAF Social Security Contribution         |                 | -                 | -                | -                 | 1,393,111         | 1,393,111                                     |
| <b>Total State Sources</b>                           |                 | <b>20,404,543</b> | <b>-</b>         | <b>20,404,543</b> | <b>29,788,132</b> | <b>9,383,589</b>                              |
| <b>Total Revenues</b>                                |                 | <b>47,623,925</b> | <b>-</b>         | <b>47,623,925</b> | <b>57,312,734</b> | <b>9,688,809</b>                              |
| <b>Expenditures:</b>                                 |                 |                   |                  |                   |                   |   |
| <b>Current Expense:</b>                              |                 |                   |                  |                   |                   |   |
| <b>Instruction - Regular Programs:</b>               |                 |                   |                  |                   |                   |   |
| <b>Salaries of Teachers:</b>                         |                 |                   |                  |                   |                   |   |
| Grades 6 - 8   | 11-130-100-101  | 3,852,045         | (13,920)         | 3,838,125         | 3,837,751         | 374   |
| Grades 9 - 12  | 11-140-100-101  | 8,314,700         | 20,660           | 8,335,360         | 8,320,403         | 14,957  |
| <b>Home Instruction:</b>                             |                 |                   |                  |                   |                   |   |
| Salaries of Teachers                                 | 11-150-100-101  | 30,000            | (5,355)          | 24,645            | 23,717            | 928   |
| Purchased Professional - Educational Services        | 11-150-100-320  | 20,000            | 26,500           | 46,500            | 44,042            | 2,458   |
| Other Purchased Services                             | 11-150-100-500  | 2,000             | (1,000)          | 1,000             | 34                | 966   |
| <b>Regular Programs - Undistributed Instruction:</b> |                 |                   |                  |                   |                   |   |
| Other Salaries for Instruction                       | 11-190-100-106  | 145,140           | (26,650)         | 118,490           | 112,575           | 5,915   |
| Purchased Professional - Educational Services        | 11-190-100-320  | 267,255           | 179,103          | 446,358           | 391,300           | 55,058  |
| Purchased Technical Services                         | 11-190-100-340  | 318,322           | (5,162)          | 313,160           | 300,842           | 12,318  |
| Other Purchased Services                             | 11-190-100-500  | 500,978           | 60,177           | 561,155           | 556,470           | 4,685   |
| General Supplies                                     | 11-190-100-610  | 783,055           | (22,528)         | 760,527           | 725,975           | 34,552  |
| Textbooks  | 11-190-100-640  | 116,215           | (997)            | 115,218           | 113,087           | 2,131   |
| Other Objects  | 11-190-100-890  | 59,414            | -                | 59,414            | 54,633            | 4,781   |
| <b>Total Regular Programs</b>                        |                 | <b>14,409,124</b> | <b>210,828</b>   | <b>14,619,952</b> | <b>14,480,829</b> | <b>139,123</b>                                |
| <b>Multiple Disabilities:</b>                        |                 |                   |                  |                   |                   |   |
| Salaries of Teachers                                 | 11-212-100-101  | 301,495           | 109,842          | 411,337           | 411,337           | -   |
| Other Salaries for Instruction                       | 11-212-100-106  | 206,870           | (74,182)         | 132,688           | 131,039           | 1,649   |
| Purchased Professional - Educational Services        | 11-212-100-320  | 1,050             | -                | 1,050             | 600               | 450   |
| Other Purchased Services                             | 11-212-100-500  | 1,500             | -                | 1,500             | -                 | 1,500   |
| General Supplies                                     | 11-212-100-610  | 10,243            | -                | 10,243            | 8,960             | 1,283   |
| Other Objects  | 11-212-100-800  | 6,000             | -                | 6,000             | 5,592             | 408   |
| <b>Total Multiple Disabilities</b>                   |                 | <b>527,158</b>    | <b>35,660</b>    | <b>562,818</b>    | <b>557,528</b>    | <b>5,290</b>                                  |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

|   | ACCOUNT NUMBERS | JUNE 30, 2023     |                  |                   |                   | POSITIVE/<br>(NEGATIVE)<br>FINAL TO<br>ACTUAL |
|---|-----------------|-------------------|------------------|-------------------|-------------------|---|
|   |                 | ORIGINAL BUDGET   | BUDGET TRANSFERS | FINAL BUDGET      | ACTUAL            |   |
| <b>Resource Room:</b>                                   |                 |                   |                  |                   |                   |   |
| Salaries of Teachers                                    | 11-213-100-101  | 2,667,430         | (379,912)        | 2,287,518         | 2,273,346         | 14,172  |
| Other Salaries for Instruction                          | 11-213-100-106  | 237,220           | (64,000)         | 173,220           | 172,464           | 756   |
| Purchased Professional-Educational Services             | 11-213-100-320  | 7,500             | (2,100)          | 5,400             | 3,938             | 1,462   |
| Other Purchased Services                                | 11-213-100-500  | 10,800            | (8,000)          | 2,800             | 1,609             | 1,191   |
| General Supplies  | 11-213-100-610  | 16,626            | (2,887)          | 13,739            | 9,044             | 4,695   |
| <b>Total Resource Room</b>                              |                 | <b>2,939,576</b>  | <b>(456,899)</b> | <b>2,482,677</b>  | <b>2,460,401</b>  | <b>22,276</b>                                 |
| <b>Special Education - Home Instruction:</b>            |                 |                   |                  |                   |                   |   |
| Purchased Professional Educational Services             | 11-219-100-320  | 30,000            | 38,175           | 68,175            | 66,363            | 1,812   |
| Other Purchased Services                                | 11-219-100-500  | 400               | -                | 400               | 18                | 382   |
| <b>Total Special Education - Home Instruction</b>       |                 | <b>30,400</b>     | <b>38,175</b>    | <b>68,575</b>     | <b>66,381</b>     | <b>2,194</b>                                  |
| <b>Total Special Education</b>                          |                 | <b>3,497,134</b>  | <b>(383,064)</b> | <b>3,114,070</b>  | <b>3,084,310</b>  | <b>29,760</b>                                 |
| <b>Basic Skills/Remedial:</b>                           |                 |                   |                  |                   |                   |   |
| Salaries of Teachers                                    | 11-230-100-101  | 197,245           | (93,175)         | 104,070           | 90,160            | 13,910  |
| General Supplies  | 11-230-100-610  | 6,602             | -                | 6,602             | 1,118             | 5,484   |
| <b>Total Basic Skills/Remedial</b>                      |                 | <b>203,847</b>    | <b>(93,175)</b>  | <b>110,672</b>    | <b>91,278</b>     | <b>19,394</b>                                 |
| <b>School Sponsored Cocurricular Activities:</b>        |                 |                   |                  |                   |                   |   |
| Salaries  | 11-401-100-100  | 249,550           | -                | 249,550           | 234,541           | 15,009  |
| Other Purchased Services                                | 11-401-100-500  | 52,500            | 2,703            | 55,203            | 41,216            | 13,987  |
| Supplies and Materials                                  | 11-401-100-600  | 73,570            | 2,222            | 75,792            | 64,030            | 11,762  |
| Other Objects   | 11-401-216-800  | 4,650             | -                | 4,650             | 1,470             | 3,180   |
| <b>Total School Sponsored Cocurricular Activities</b>   |                 | <b>380,270</b>    | <b>4,925</b>     | <b>385,195</b>    | <b>341,257</b>    | <b>43,938</b>                                 |
| <b>School Sponsored Athletics - Instruction:</b>        |                 |                   |                  |                   |                   |   |
| Salaries  | 11-402-100-100  | 742,600           | 34,147           | 776,747           | 762,866           | 13,881  |
| Other Purchased Services                                | 11-402-100-500  | 169,700           | (7,954)          | 161,746           | 146,818           | 14,928  |
| General Supplies  | 11-402-100-600  | 187,500           | 57,420           | 244,920           | 234,476           | 10,444  |
| Other Objects   | 11-402-216-800  | 72,450            | (464)            | 71,986            | 68,496            | 3,490   |
| <b>Total School Sponsored Athletics Instruction</b>     |                 | <b>1,172,250</b>  | <b>83,149</b>    | <b>1,255,399</b>  | <b>1,212,656</b>  | <b>42,743</b>                                 |
| <b>Before/After School Programs:</b>                    |                 |                   |                  |                   |                   |   |
| Salaries  | 11-421-100-101  | 5,000             | -                | 5,000             | 157               | 4,843   |
| <b>Total Before/Afterschool Programs</b>                |                 | <b>5,000</b>      | <b>-</b>         | <b>5,000</b>      | <b>157</b>        | <b>4,843</b>                                  |
| <b>Total Instruction</b>                                |                 | <b>19,667,625</b> | <b>(177,337)</b> | <b>19,490,288</b> | <b>19,210,487</b> | <b>279,801</b>                                |
| <b>Undistributed Expenditures:</b>                      |                 |                   |                  |                   |                   |   |
| <b>Instruction :</b>                                    |                 |                   |                  |                   |                   |   |
| Tuition to Other LEAs Within the State - Regular        | 11-000-100-561  | 8,500             | 17,500           | 26,000            | 23,390            | 2,610   |
| Tuition to Other LEAs Within the State - Special        | 11-000-100-562  | 50,000            | (18,900)         | 31,100            | 31,100            | -   |
| Tuition to County Vocational School District - Regular  | 11-000-100-563  | 643,500           | (86,325)         | 557,175           | 557,157           | 18  |
| Tuition to County Vocational School District - Special  | 11-000-100-564  | 113,083           | -                | 113,083           | 101,138           | 11,945  |
| Tuition to CSSD & Regional Day School                   | 11-000-100-565  | 1,320,744         | 153,131          | 1,473,875         | 1,473,114         | 761   |
| Tuition to Private School for the Handicapped - State   | 11-000-100-566  | 1,041,042         | 91,838           | 1,132,880         | 1,094,541         | 38,339  |
| Tuition to Private School for the Disabled & Other LEAs | 11-000-100-567  | 43,000            | -                | 43,000            | 43,000            | -   |
| Tuition - State Facilities                              | 11-000-100-568  | 4,500             | -                | 4,500             | 4,500             | -   |
| <b>Total Undistributed Expenditures - Instruction</b>   |                 | <b>3,224,369</b>  | <b>157,244</b>   | <b>3,381,613</b>  | <b>3,327,940</b>  | <b>53,673</b>                                 |



**KINGSWAY REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

|   | ACCOUNT NUMBERS | JUNE 30, 2023    |                  |                  |                  | POSITIVE/<br>(NEGATIVE)<br>FINAL TO<br>ACTUAL |
|---|-----------------|------------------|------------------|------------------|------------------|---|
|   |                 | ORIGINAL BUDGET  | BUDGET TRANSFERS | FINAL BUDGET     | ACTUAL           |   |
| <b>Attendance &amp; Social Work Services:</b>                   |                 |                  |                  |                  |                  |   |
| Salaries  | 11-000-211-100  | 138,030          | 50,809           | 188,839          | 187,151          | 1,688   |
| Unused Vacation Payment to Term/Retired Staff                   | 11-000-211-199  | -                | 2,791            | 2,791            | 2,791            | -   |
| Supplies and Materials  | 11-000-211-600  | 750              | -                | 750              | -                | 750   |
| <b>Total Attendance &amp; Social Work Services</b>              |                 | <b>138,780</b>   | <b>53,600</b>    | <b>192,380</b>   | <b>189,942</b>   | <b>2,438</b>                                  |
| <b>Health Services:</b>   |                 |                  |                  |                  |                  |   |
| Salaries  | 11-000-213-100  | 383,270          | 6,850            | 390,120          | 389,342          | 778   |
| Purchased Professional & Technical Services                     | 11-000-213-300  | 38,845           | (11,986)         | 26,859           | 24,726           | 2,133   |
| Other Purchased Services  | 11-000-213-500  | 2,800            | 58               | 2,858            | 1,845            | 1,013   |
| Supplies and Materials  | 11-000-213-600  | 16,400           | (10,113)         | 6,287            | 4,797            | 1,490   |
| Other Objects   | 11-000-213-800  | 600              | 75               | 675              | 402              | 273   |
| <b>Total Health Services</b>                                    |                 | <b>441,915</b>   | <b>(15,116)</b>  | <b>426,799</b>   | <b>421,112</b>   | <b>5,687</b>                                  |
| <b>Other Support Services - Students - Related Services:</b>    |                 |                  |                  |                  |                  |   |
| Salaries  | 11-000-216-100  | 62,455           | 118              | 62,573           | 62,573           | -   |
| Purchased Professional Educational Services                     | 11-000-216-320  | 100,500          | 15,137           | 115,637          | 115,488          | 149   |
| Supplies and Materials  | 11-000-216-600  | 1,000            | -                | 1,000            | 758              | 242   |
| <b>Total Other Support Services-Students-Related Services</b>   |                 | <b>163,955</b>   | <b>15,255</b>    | <b>179,210</b>   | <b>178,819</b>   | <b>391</b>                                    |
| <b>Other Support Services - Students - Extra Services:</b>      |                 |                  |                  |                  |                  |   |
| Salaries  | 11-000-217-100  | 305,795          | 86,125           | 391,920          | 387,477          | 4,443   |
| Purchased Professional Educational Services                     | 11-000-217-320  | 414,355          | 195,360          | 609,715          | 609,652          | 63  |
| Supplies and Materials  | 11-000-217-600  | 4,500            | 2,250            | 6,750            | 5,642            | 1,108   |
| <b>Total Other Support Services - Students - Extra Services</b> |                 | <b>724,650</b>   | <b>283,735</b>   | <b>1,008,385</b> | <b>1,002,771</b> | <b>5,614</b>                                  |
| <b>Other Support Services - Students - Regular:</b>             |                 |                  |                  |                  |                  |   |
| Salaries of Other Professional Staff                            | 11-000-218-104  | 789,840          | (5,780)          | 784,060          | 777,362          | 6,698   |
| Salaries of Secretarial & Clerical Assistants                   | 11-000-218-105  | 137,305          | -                | 137,305          | 135,922          | 1,383   |
| Purchased Professional Educational Services                     | 11-000-218-320  | 90,000           | (15,000)         | 75,000           | 71,184           | 3,816   |
| Other Purchased Professional & Technical Services               | 11-000-218-390  | 53,100           | 75,000           | 128,100          | 127,108          | 992   |
| Other Purchased Services  | 11-000-218-500  | 13,100           | -                | 13,100           | 10,092           | 3,008   |
| Supplies and Materials  | 11-000-218-600  | 3,250            | -                | 3,250            | 2,893            | 357   |
| Other Objects   | 11-000-218-800  | 6,045            | -                | 6,045            | 4,406            | 1,639   |
| <b>Total Other Support Services - Students - Regular</b>        |                 | <b>1,092,640</b> | <b>54,220</b>    | <b>1,146,860</b> | <b>1,128,967</b> | <b>17,893</b>                                 |
| <b>Other Support Services - Students - Special Services:</b>    |                 |                  |                  |                  |                  |   |
| Salaries of Other Professional Staff                            | 11-000-219-104  | 667,375          | 19,690           | 687,065          | 684,534          | 2,531   |
| Salaries of Secretarial & Clerical Assistants                   | 11-000-219-105  | 70,765           | 1,150            | 71,915           | 70,506           | 1,409   |
| Purchased Professional Educational Services                     | 11-000-219-320  | 50,000           | (6,930)          | 43,070           | 39,521           | 3,549   |
| Other Purchased Professional & Technical Services               | 11-000-219-390  | 16,320           | -                | 16,320           | 16,317           | 3   |
| Other Purchased Services  | 11-000-219-500  | 8,750            | (1,176)          | 7,574            | 7,541            | 33  |
| Supplies and Materials  | 11-000-219-600  | 16,870           | 331              | 17,201           | 16,728           | 473   |
| Other Objects   | 11-000-219-800  | -                | 845              | 845              | 845              | -   |
| <b>Total Other Support Services-Students-Special Services</b>   |                 | <b>830,080</b>   | <b>13,910</b>    | <b>843,990</b>   | <b>835,992</b>   | <b>7,998</b>                                  |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

|   | ACCOUNT NUMBERS | JUNE 30, 2023    |                  |                  |                  | POSITIVE/<br>(NEGATIVE)<br>FINAL TO<br>ACTUAL |
|---|-----------------|------------------|------------------|------------------|------------------|---|
|   |                 | ORIGINAL BUDGET  | BUDGET TRANSFERS | FINAL BUDGET     | ACTUAL           |   |
| <b>Improvement of Instruction Services/Other Support Services - Instruction Staff:</b>      |                 |                  |                  |                  |                  |   |
| Salaries of Supervisor of Instruction   | 11-000-221-102  | 622,620          | 17,220           | 639,840          | 639,820          | 20  |
| Salaries of Other Professional Staff  | 11-000-221-104  | 109,300          | (33,120)         | 76,180           | 75,988           | 192   |
| Salaries of Secretarial & Clerical Assistants   | 11-000-221-105  | 26,740           | -                | 26,740           | 25,999           | 741   |
| Purchased Professional - Educational Services   | 11-000-221-320  | 110,260          | (483)            | 109,777          | 106,428          | 3,349   |
| Other Purchased Services  | 11-000-221-500  | 32,200           | (16,537)         | 15,663           | 13,807           | 1,856   |
| Supplies and Materials  | 11-000-221-600  | 9,300            | 748              | 10,048           | 9,073            | 975   |
| Other Objects   | 11-000-221-800  | 10,900           | -                | 10,900           | 9,614            | 1,286   |
| <b>Total Improvement of Instruction Services/Other Support Services Instructional Staff</b> |                 | <b>921,320</b>   | <b>(32,172)</b>  | <b>889,148</b>   | <b>880,729</b>   | <b>8,419</b>                                  |
| <b>Educational Media Services/School Library:</b>   |                 |                  |                  |                  |                  |   |
| Salaries  | 11-000-222-100  | 225,705          | (3,915)          | 221,790          | 219,469          | 2,321   |
| Purchased Professional & Technical Services   | 11-000-222-300  | 23,491           | (985)            | 22,506           | 22,376           | 130   |
| Other Purchased Services  | 11-000-222-500  | 4,909            | -                | 4,909            | 3,008            | 1,901   |
| Supplies and Materials  | 11-000-222-600  | 31,550           | (57)             | 31,493           | 30,390           | 1,103   |
| Other Objects   | 11-000-222-800  | 1,300            | -                | 1,300            | 195              | 1,105   |
| <b>Total Educational Media Services/School Library</b>                                      |                 | <b>286,955</b>   | <b>(4,957)</b>   | <b>281,998</b>   | <b>275,438</b>   | <b>6,560</b>                                  |
| <b>Support Services Instructional Staff Training Service:</b>                               |                 |                  |                  |                  |                  |   |
| Salaries of Supervisors of Instruction  | 11-000-223-102  | 81,000           | -                | 81,000           | 81,000           | -   |
| Salaries of Other Professional Staff  | 11-000-223-104  | 15,040           | (7,245)          | 7,795            | 6,331            | 1,464   |
| Salaries of Secretarial & Clerical Assistants   | 11-000-223-105  | 26,740           | -                | 26,740           | 25,999           | 741   |
| Purchased Professional - Educational Services   | 11-000-223-320  | 3,350            | 5,755            | 9,105            | 4,439            | 4,666   |
| Other Purchased Services  | 11-000-223-500  | 41,360           | (13,115)         | 28,245           | 20,116           | 8,129   |
| <b>Total Support Services Instructional Staff Training</b>                                  |                 | <b>167,490</b>   | <b>(14,605)</b>  | <b>152,885</b>   | <b>137,885</b>   | <b>15,000</b>                                 |
| <b>Support Services General Administration:</b>   |                 |                  |                  |                  |                  |   |
| Salaries  | 11-000-230-100  | 300,870          | 80               | 300,950          | 300,754          | 196   |
| Legal Services  | 11-000-230-331  | 50,000           | 25,000           | 75,000           | 68,495           | 6,505   |
| Audit Services  | 11-000-230-332  | 40,000           | -                | 40,000           | 38,846           | 1,154   |
| Purchased Technical Services  | 11-000-230-340  | 4,800            | -                | 4,800            | 4,735            | 65  |
| Communications/Telephone  | 11-000-230-530  | 101,100          | (25,534)         | 75,566           | 74,611           | 955   |
| Travel - All Other  | 11-000-230-580  | -                | 1,900            | 1,900            | 1,815            | 85  |
| BOE Other Purchased Services  | 11-000-230-585  | 21,000           | (690)            | 20,310           | 19,790           | 520   |
| Other Purchased Services  | 11-000-230-590  | 91,000           | 16,910           | 107,910          | 107,586          | 324   |
| Supplies and Materials  | 11-000-230-600  | 5,000            | 4,000            | 9,000            | 8,960            | 40  |
| BOE In-House Training Supplies  | 11-000-230-630  | 500              | -                | 500              | 65               | 435   |
| Miscellaneous Expenditures  | 11-000-230-890  | 2,950            | 590              | 3,540            | 3,539            | 1   |
| BOE Membership Dues & Fees  | 11-000-230-895  | 12,500           | -                | 12,500           | 12,190           | 310   |
| <b>Total Support Services General Administration</b>  |                 | <b>629,720</b>   | <b>22,256</b>    | <b>651,976</b>   | <b>641,386</b>   | <b>10,590</b>                                 |
| <b>Support Services School Administration:</b>  |                 |                  |                  |                  |                  |   |
| Salaries of Principals & Assistant Principals   | 11-000-240-103  | 983,180          | (45,000)         | 938,180          | 937,259          | 921   |
| Salaries of Other Professional Staff  | 11-000-240-104  | 418,500          | -                | 418,500          | 417,874          | 626   |
| Salaries of Secretarial & Clerical Assistants   | 11-000-240-105  | 280,450          | 30,000           | 310,450          | 307,899          | 2,551   |
| Other Salaries  | 11-000-240-110  | -                | 2,252            | 2,252            | 2,252            | -   |
| Unused Vac Payment to Term/Ret Staff  | 11-000-240-199  | -                | 11,100           | 11,100           | 11,098           | 2   |
| Purchased Professional & Technical Services   | 11-000-240-300  | 18,850           | (6,800)          | 12,050           | 10,638           | 1,412   |
| Other Purchased Services  | 11-000-240-500  | 37,200           | (3,527)          | 33,673           | 31,381           | 2,292   |
| Supplies and Materials  | 11-000-240-600  | 57,850           | (10,423)         | 47,427           | 45,467           | 1,960   |
| Other Objects   | 11-000-240-800  | 45,160           | 1,062            | 46,222           | 44,382           | 1,840   |
| <b>Total Support Services School Administration</b>   |                 | <b>1,841,190</b> | <b>(21,336)</b>  | <b>1,819,854</b> | <b>1,808,250</b> | <b>11,604</b>                                 |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

|  | ACCOUNT NUMBERS | JUNE 30, 2023    |                  |                  |                  | POSITIVE/<br>(NEGATIVE)<br>FINAL TO<br>ACTUAL |
|--|-----------------|------------------|------------------|------------------|------------------|---|
|  |                 | ORIGINAL BUDGET  | BUDGET TRANSFERS | FINAL BUDGET     | ACTUAL           |   |
| <b>Central Services:</b>   |                 |                  |                  |                  |                  |   |
| Salaries   | 11-000-251-100  | 548,560          | (20,700)         | 527,860          | 523,437          | 4,423   |
| Unused Vac Payment to Term/Ret Staff                             | 11-000-251-199  | -                | 16,875           | 16,875           | 16,417           | 458   |
| Purchased Professional Services                                  | 11-000-251-330  | 4,500            | 1,500            | 6,000            | 4,250            | 1,750   |
| Purchased Technical Services                                     | 11-000-251-340  | 119,330          | (900)            | 118,430          | 116,355          | 2,075   |
| Miscellaneous Purchased Services                                 | 11-000-251-592  | 12,750           | 774              | 13,524           | 10,976           | 2,548   |
| Supplies & Materials   | 11-000-251-600  | 8,500            | 350              | 8,850            | 8,598            | 252   |
| Miscellaneous Expenditures                                       | 11-000-251-890  | 1,790            | -                | 1,790            | 1,417            | 373   |
| <b>Total Central Services</b>                                    |                 | <b>695,430</b>   | <b>(2,101)</b>   | <b>693,329</b>   | <b>681,450</b>   | <b>11,879</b>                                 |
| <b>Administrative Information Technology:</b>                    |                 |                  |                  |                  |                  |   |
| Salaries   | 11-000-252-100  | 279,490          | (18,600)         | 260,890          | 259,829          | 1,061   |
| Unused Vac Payment to Term/Ret Staff                             | 11-000-252-199  | -                | 3,550            | 3,550            | 3,536            | 14  |
| Purchased Technical Services                                     | 11-000-252-340  | 156,950          | 5,254            | 162,204          | 157,273          | 4,931   |
| Other Purchased Services   | 11-000-252-500  | 3,300            | -                | 3,300            | 1,765            | 1,535   |
| Supplies and Materials   | 11-000-252-600  | 38,000           | 888              | 38,888           | 38,499           | 389   |
| Other Objects  | 11-000-252-800  | 850              | -                | 850              | 695              | 155   |
| <b>Total Administrative Information Technology</b>               |                 | <b>478,590</b>   | <b>(8,908)</b>   | <b>469,682</b>   | <b>461,597</b>   | <b>8,085</b>                                  |
| <b>Allowance Maintenance for School Facilities:</b>              |                 |                  |                  |                  |                  |   |
| Salaries   | 11-000-261-100  | 330,810          | (5,500)          | 325,310          | 307,106          | 18,204  |
| Unused Vac Payment to Term/Ret Staff                             | 11-000-261-199  | -                | 1,000            | 1,000            | 921              | 79  |
| Maintenance Services   | 11-000-261-420  | 268,150          | 143,525          | 411,675          | 369,831          | 41,844  |
| General Supplies   | 11-000-261-610  | 125,000          | 17,396           | 142,396          | 131,114          | 11,282  |
| Other Objects  | 11-000-261-800  | 4,000            | (1,000)          | 3,000            | 2,861            | 139   |
| <b>Total Allowance Maintenance for School Facilities</b>         |                 | <b>727,960</b>   | <b>155,421</b>   | <b>883,381</b>   | <b>811,833</b>   | <b>71,548</b>                                 |
| <b>Other Operation &amp; Maintenance of Plant Services:</b>      |                 |                  |                  |                  |                  |   |
| Salaries   | 11-000-262-100  | 1,255,850        | (123,044)        | 1,132,806        | 1,131,503        | 1,303   |
| Unused Vac Payment to Term/Ret Staff                             | 11-000-262-199  | -                | 6,320            | 6,320            | 6,319            | 1   |
| Purchased Professional & Technical Services                      | 11-000-262-300  | 75,750           | (2,877)          | 72,873           | 71,253           | 1,620   |
| Cleaning, Repair & Maintenance Services                          | 11-000-262-420  | 6,500            | 4,435            | 10,935           | 4,612            | 6,323   |
| Other Purchased Property Services                                | 11-000-262-490  | 45,000           | 1,315            | 46,315           | 45,396           | 919   |
| Insurance  | 11-000-262-520  | 172,500          | (1,275)          | 171,225          | 170,381          | 844   |
| Miscellaneous Purchased Services                                 | 11-000-262-590  | 40,434           | -                | 40,434           | 39,316           | 1,118   |
| General Supplies   | 11-000-262-610  | 130,000          | 30,482           | 160,482          | 148,510          | 11,972  |
| Energy (Natural Gas)   | 11-000-262-621  | 175,000          | 28,400           | 203,400          | 193,484          | 9,916   |
| Energy (Electricity)   | 11-000-262-622  | 605,000          | 62,251           | 667,251          | 574,672          | 92,579  |
| <b>Total Other Operation &amp; Maintenance of Plant Services</b> |                 | <b>2,506,034</b> | <b>6,007</b>     | <b>2,512,041</b> | <b>2,385,446</b> | <b>126,595</b>                                |
| <b>Care &amp; Upkeep of Grounds</b>                              |                 |                  |                  |                  |                  |   |
| Salaries   | 11-000-263-100  | 301,520          | 11,700           | 313,220          | 312,531          | 689   |
| Purchased Professional & Technical Services                      | 11-000-263-300  | 37,500           | -                | 37,500           | 34,720           | 2,780   |
| Cleaning, Repair & Maintenance Services                          | 11-000-263-420  | 31,000           | 43,500           | 74,500           | 72,844           | 1,656   |
| General Supplies   | 11-000-263-610  | 95,500           | (5,664)          | 89,836           | 80,435           | 9,401   |
| Other Objects  | 11-000-263-800  | 3,500            | (3,000)          | 500              | 473              | 27  |
| <b>Total Care &amp; Upkeep of Grounds</b>                        |                 | <b>469,020</b>   | <b>46,536</b>    | <b>515,556</b>   | <b>501,003</b>   | <b>14,553</b>                                 |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

|  | ACCOUNT NUMBERS | JUNE 30, 2023    |                  |                  |                  | POSITIVE/<br>(NEGATIVE)<br>FINAL TO<br>ACTUAL |
|--|-----------------|------------------|------------------|------------------|------------------|---|
|  |                 | ORIGINAL BUDGET  | BUDGET TRANSFERS | FINAL BUDGET     | ACTUAL           |   |
| Security   |                 |                  |                  |                  |                  |   |
| Salaries   | 11-000-266-100  | 72,755           | (43,500)         | 29,255           | 27,688           | 1,567   |
| Purchased Professional & Technical Services                                  | 11-000-266-300  | 155,000          | 58,025           | 213,025          | 212,032          | 993   |
| Supplies and Materials   | 11-000-266-610  | 47,000           | 2,000            | 49,000           | 47,875           | 1,125   |
| <b>Total Security</b>  |                 | <b>274,755</b>   | <b>16,525</b>    | <b>291,280</b>   | <b>287,595</b>   | <b>3,685</b>                                  |
| Student Transportation Services:   |                 |                  |                  |                  |                  |   |
| Salaries of Non-Instructional Aides  | 11-000-270-107  | 41,625           | (16,000)         | 25,625           | 24,386           | 1,239   |
| Salaries for Pupil Transportation (Between Home & School) - Regular          | 11-000-270-160  | 456,495          | 270              | 456,765          | 456,094          | 671   |
| Salaries for Pupil Transportation (Between Home & School) - Special          | 11-000-270-161  | 21,250           | 16,560           | 37,810           | 34,287           | 3,523   |
| Salaries for Pupil Transportation (Other Than Between Home & School)         | 11-000-270-162  | 120,000          | (33,000)         | 87,000           | 83,409           | 3,591   |
| Other Purchased Professional & Unused Vacation Payment to Term/Retired Staff | 11-000-270-199  | -                | 3,300            | 3,300            | 3,226            | 74  |
| Technical Services   | 11-000-270-390  | 4,125            | -                | 4,125            | 3,599            | 526   |
| Cleaning, Repair & Maintenance   | 11-000-270-420  | 9,000            | (9,000)          | -                | -                | -   |
| Lease Purchase Payments - School Buses                                       | 11-000-270-443  | 103,002          | -                | 103,002          | 103,002          | -   |
| Aid in Lieu of Payments  | 11-000-270-503  | 230,000          | (45,660)         | 184,340          | 183,872          | 468   |
| Contracted Services (Between Home & School) - Vendors                        | 11-000-270-511  | 1,902,344        | (10,125)         | 1,892,219        | 1,868,105        | 24,114  |
| Contracted Services (Other Than Between School) - Vendors                    | 11-000-270-512  | 59,000           | 49,000           | 108,000          | 104,247          | 3,753   |
| Contracted Services (Special Education) - Vendors                            | 11-000-270-514  | 95,146           | 149,086          | 244,232          | 235,864          | 8,368   |
| Contracted Services (Special Education) - Joint Agreements                   | 11-000-270-515  | 18,500           | 9,715            | 28,215           | 25,647           | 2,568   |
| Contracted Services (Regular Education Students) - ESC                       | 11-000-270-517  | 361,345          | 43,290           | 404,635          | 404,315          | 320   |
| Contracted Services (Special Education Students) - ESC                       | 11-000-270-518  | 1,097,875        | 9,154            | 1,107,029        | 1,100,964        | 6,065   |
| Miscellaneous Purchased Services - Transportation                            | 11-000-270-593  | 78,500           | (720)            | 77,780           | 76,656           | 1,124   |
| Supplies and Materials   | 11-000-270-610  | 1,500            | 500              | 2,000            | 1,548            | 452   |
| Transportation Supplies  | 11-000-270-615  | 150,000          | 35,097           | 185,097          | 150,897          | 34,200  |
| Other Objects  | 11-000-270-800  | 1,000            | -                | 1,000            | -                | 1,000   |
| <b>Total Student Transportation Services</b>                                 |                 | <b>4,750,707</b> | <b>201,467</b>   | <b>4,952,174</b> | <b>4,860,118</b> | <b>92,056</b>                                 |
| Required Maintenance for School Facilities:                                  |                 |                  |                  |                  |                  |   |
| Other Employee Benefits  | 11-000-261-290  | 1,800            | (1,800)          | -                | -                | -   |
| <b>Total Required Maintenance for School Facilities</b>                      |                 | <b>1,800</b>     | <b>(1,800)</b>   | <b>-</b>         | <b>-</b>         | <b>-</b>                                      |
| Custodial Services   |                 |                  |                  |                  |                  |   |
| Other Employee Benefits  | 11-000-262-290  | 11,700           | (11,700)         | -                | -                | -   |
| <b>Total Custodial Services</b>  |                 | <b>11,700</b>    | <b>(11,700)</b>  | <b>-</b>         | <b>-</b>         | <b>-</b>                                      |
| Care and Upkeep of Grounds   |                 |                  |                  |                  |                  |   |
| Other Employee Benefits  | 11-000-263-290  | 1,800            | (1,800)          | -                | -                | -   |
| <b>Total Care and Upkeep of Grounds</b>                                      |                 | <b>1,800</b>     | <b>(1,800)</b>   | <b>-</b>         | <b>-</b>         | <b>-</b>                                      |
| Student Transportation Services:   |                 |                  |                  |                  |                  |   |
| Other Employee Benefits  | 11-000-270-290  | 9,630            | (9,630)          | -                | -                | -   |
| <b>Total Student Transportation Services</b>                                 |                 | <b>9,630</b>     | <b>(9,630)</b>   | <b>-</b>         | <b>-</b>         | <b>-</b>                                      |
| <b>Total Allocated Benefits</b>  |                 | <b>24,930</b>    | <b>(24,930)</b>  | <b>-</b>         | <b>-</b>         | <b>-</b>                                      |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

|   | ACCOUNT NUMBERS | JUNE 30, 2023      |                     |                    |                    | POSITIVE/<br>(NEGATIVE)<br>FINAL TO<br>ACTUAL |
|---|-----------------|--------------------|---------------------|--------------------|--------------------|---|
|   |                 | ORIGINAL<br>BUDGET | BUDGET<br>TRANSFERS | FINAL<br>BUDGET    | ACTUAL             |   |
| <b>Unallocated Benefits - Employee Benefits:</b>  |                 |                    |                     |                    |                    |   |
| Social Security   | 11-000-291-220  | 568,265            | 17,025              | 585,290            | 585,286            | 4   |
| Other Retirement Contributions - PERS   | 11-000-291-241  | 675,000            | 25,000              | 700,000            | 699,998            | 2   |
| Other Retirement Contributions-Regular  | 11-000-291-249  | 15,000             | (6,500)             | 8,500              | 6,536              | 1,964   |
| Unemployment Compensation   | 11-000-291-250  | -                  | -                   | -                  | -                  | -   |
| Workmen's Compensation  | 11-000-291-260  | 219,000            | (13,000)            | 206,000            | 205,821            | 179   |
| Health Benefits   | 11-000-291-270  | 5,347,100          | (186,500)           | 5,160,600          | 5,160,479          | 121   |
| Tuition Reimbursement   | 11-000-291-280  | 90,000             | 19,266              | 109,266            | 97,805             | 11,461  |
| Other Employee Benefits   | 11-000-291-290  | 406,800            | (38,980)            | 367,820            | 359,035            | 8,785   |
| Unused Sick Payment to Terminated/Retired Staff   | 11-000-291-299  | 31,000             | (10,500)            | 20,500             | 20,445             | 55  |
| <b>Total Unallocated Benefits - Employee Benefits</b>   |                 | <b>7,352,165</b>   | <b>(194,189)</b>    | <b>7,157,976</b>   | <b>7,135,405</b>   | <b>22,571</b>                                 |
| <b>Nonbudgeted:</b>   |                 |                    |                     |                    |                    |   |
| On-Behalf TPAF Pension Contribution   |                 | -                  | -                   | -                  | 5,889,793          | (5,889,793)                                   |
| On-Behalf Post Retirement Medical Contribution  |                 | -                  | -                   | -                  | 1,547,235          | (1,547,235)                                   |
| On-Behalf Long-Term Disability Insurance  |                 | -                  | -                   | -                  | 3,468              | (3,468)                                       |
| Reimbursed TPAF Social Security Contribution  |                 | -                  | -                   | -                  | 1,393,111          | (1,393,111)                                   |
| <b>Total Undistributed Expenditures</b>   |                 | <b>27,742,655</b>  | <b>707,862</b>      | <b>28,450,517</b>  | <b>36,787,285</b>  | <b>(8,336,768)</b>                            |
| <b>Total Expenditures - Current Expense</b>   |                 | <b>47,410,280</b>  | <b>530,525</b>      | <b>47,940,805</b>  | <b>55,997,772</b>  | <b>(8,056,967)</b>                            |
| <b>Capital Outlay:</b>  |                 |                    |                     |                    |                    |   |
| <b>Equipment:</b>   |                 |                    |                     |                    |                    |   |
| <b>Regular Programs - Instruction:</b>  |                 |                    |                     |                    |                    |   |
| Grades 6 - 8  | 12-130-100-730  | 2,415              | -                   | 2,415              | 2,380              | 35  |
| Grades 9 - 12   | 12-140-100-730  | 17,200             | -                   | 17,200             | 17,200             | -   |
| School-Sponsored & Other Instructional Programs   | 12-4xx-100-730  | 11,400             | -                   | 11,400             | 11,400             | -   |
| <b>Student Transportation:</b>  |                 |                    |                     |                    |                    |   |
| Non-Instructional Equipment   | 12-000-270-732  | -                  | 53,834              | 53,834             | 53,834             | -   |
| <b>Total Equipment</b>  |                 | <b>31,015</b>      | <b>53,834</b>       | <b>84,849</b>      | <b>84,814</b>      | <b>35</b>                                     |
| <b>Facilities Acquisition &amp; Construction Services:</b>  |                 |                    |                     |                    |                    |   |
| Architectural/Engineering Services  | 12-000-400-334  | -                  | 20,740              | 20,740             | 8,250              | 12,490  |
| Assessment for Debt Service on SDA Funding  | 12-000-400-896  | 116,737            | -                   | 116,737            | 116,737            | -   |
| <b>Total Facilities Acquisition &amp; Construction Services</b>   |                 | <b>116,737</b>     | <b>20,740</b>       | <b>137,477</b>     | <b>124,987</b>     | <b>12,490</b>                                 |
| Increase in Capital Reserve   | 10-604          | 1,000              | -                   | 1,000              | -                  | 1,000   |
| <b>Total Capital Outlay</b>   |                 | <b>148,752</b>     | <b>74,574</b>       | <b>223,326</b>     | <b>209,801</b>     | <b>13,525</b>                                 |
| <b>Assets Acquired Subscription-Based Information Technology Arrangements (Nonbudgeted)</b>             |                 |                    |                     |                    |                    |   |
| Subscriptions   |                 | -                  | -                   | -                  | 365,368            | (365,368)                                     |
| <b>Total Assets Acquired Under Subscription-Based Information Technology Arrangements (Nonbudgeted)</b> |                 | <b>-</b>           | <b>-</b>            | <b>-</b>           | <b>365,368</b>     | <b>(365,368)</b>                              |
| <b>Total Expenditures</b>   |                 | <b>47,559,032</b>  | <b>605,099</b>      | <b>48,164,131</b>  | <b>56,572,941</b>  | <b>(8,408,810)</b>                            |
| <b>Excess/(Deficiency) of Revenues Over/(Under)</b>   |                 |                    |                     |                    |                    |   |
| Expenditures  |                 | 64,893             | (605,099)           | (540,206)          | 739,793            | 1,279,999                                     |
| <b>Other Financing Sources/(Uses):</b>  |                 |                    |                     |                    |                    |   |
| Operating Transfers In/(Out)  |                 | -                  | -                   | -                  | 50,726             | 50,726  |
| Transfer to Capital Projects Fund   |                 | (2,600,000)        | -                   | (2,600,000)        | (2,600,000)        | -   |
| Subscription-Based Information Technology Arrangement Proceeds  |                 | -                  | -                   | -                  | 365,368            | 365,368                                       |
| Transfer of Funds to Charter Schools  |                 | (64,893)           | (8,323)             | (73,216)           | (63,053)           | 10,163  |
| <b>Total Other Financing Sources/(Uses)</b>   |                 | <b>(2,664,893)</b> | <b>(8,323)</b>      | <b>(2,673,216)</b> | <b>(2,246,959)</b> | <b>426,257</b>                                |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

| ACCOUNT NUMBERS  | JUNE 30, 2023      |                     |                 |              | POSITIVE/<br>(NEGATIVE)<br>FINAL TO<br>ACTUAL |
|--|--------------------|---------------------|-----------------|--------------|---|
|  | ORIGINAL<br>BUDGET | BUDGET<br>TRANSFERS | FINAL<br>BUDGET | ACTUAL       |   |
| Excess/(Deficiency) of Revenues & Other<br>Financing Sources Over/(Under) Expenditures<br>& Other Financing Sources/(Uses) | (2,600,000)        | (613,422)           | (3,213,422)     | (1,507,166)  | 1,706,256                                     |
| Fund Balance, July 1   | 5,759,559          | -                   | 5,759,559       | 5,759,559    | -   |
| Fund Balances, June 30   | \$ 3,159,559       | \$ (613,422)        | \$ 2,546,137    | \$ 4,252,393 | \$ 1,706,256                                  |

**RECAPITULATION OF BUDGET TRANSFERS**

|                         |            |
|-------------------------|------------|
| Prior Year Encumbrances | \$ 613,422 |
| Total                   | \$ 613,422 |

**RECAPITULATION OF FUND BALANCE:**

|  |                     |
|--|---------------------|
| Restricted for:  |                     |
| Capital Reserve  | 1,962,953           |
| Unemployment Compensation                                | 38,768              |
| Excess Surplus   | 359,936             |
| Committed to:  |                     |
| Year-End Encumbrances                                    | 107,233             |
| Assigned to:   |                     |
| Designated for Subsequent Year's Expenditures            | 232,781             |
| Unassigned Fund Balance                                  | <u>1,550,722</u>    |
| Subtotal   | 4,252,393           |
| Reconciliation to Governmental Fund Statements (GAAP):   |                     |
| Last Two State Aid Payments Not Recognized on GAAP Basis | <u>(1,896,833)</u>  |
| Fund Balance Per Governmental Funds (GAAP)               | <u>\$ 2,355,560</u> |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

|   | JUNE 30, 2023      |                     |                  |                  | POSITIVE/<br>(NEGATIVE)<br>FINAL TO<br>ACTUAL |
|---|--------------------|---------------------|------------------|------------------|---|
|   | ORIGINAL<br>BUDGET | BUDGET<br>TRANSFERS | FINAL<br>BUDGET  | ACTUAL           |   |
| Revenues:   |                    |                     |                  |                  |   |
| Federal Sources   | \$ 601,140         | \$ 662,662          | \$ 1,263,802     | \$ 865,046       | \$ (398,756)                                  |
| State Sources   | -                  | 73,425              | 73,425           | -                | (73,425)                                      |
| Local Sources   | 1,001,000          | 44,341              | 1,045,341        | 1,117,389        | 72,048  |
| <b>Total Revenues</b>   | <b>1,602,140</b>   | <b>780,428</b>      | <b>2,382,568</b> | <b>1,982,435</b> | <b>(400,133)</b>                              |
| Expenditures:   |                    |                     |                  |                  |   |
| Instruction:  |                    |                     |                  |                  |   |
| Salaries  | 59,745             | 124,963             | 184,708          | 98,542           | 86,166  |
| Tuition   | 475,000            | 49,590              | 524,590          | 524,590          | -   |
| Other Purchased Services  | -                  | 10,989              | 10,989           | 10,989           | -   |
| Supplies & Materials  | 8,565              | 12,412              | 20,977           | 12,335           | 8,642   |
| <b>Total Instruction</b>  | <b>543,310</b>     | <b>197,954</b>      | <b>741,264</b>   | <b>646,456</b>   | <b>94,808</b>                                 |
| Support Services:   |                    |                     |                  |                  |   |
| Salaries of Other Professional Staff  | -                  | 332,119             | 332,119          | 233,910          | 98,209  |
| Benefits  | 39,755             | 122,461             | 162,216          | -                | 162,216                                       |
| Purchased Professional Services   | -                  | 58,962              | 58,962           | 11,366           | 47,596  |
| Other Purchased Service   | 18,075             | (6,493)             | 11,582           | 11,638           | (56)  |
| Supplies  | -                  | 2,000               | 2,000            | -                | 2,000   |
| Scholarship   | 1,000              | -                   | 1,000            | 1,800            | (800)   |
| Student Activities  | 1,000,000          | -                   | 1,000,000        | 1,067,950        | (67,950)                                      |
| <b>Total Support Services</b>   | <b>1,058,830</b>   | <b>509,049</b>      | <b>1,567,879</b> | <b>1,326,664</b> | <b>241,215</b>                                |
| Facilities Acquisition & Construction Services:   |                    |                     |                  |                  |   |
| Construction  | -                  | 73,425              | 73,425           | -                | 73,425  |
| <b>Total Facilities Acquisition &amp; Construction Services</b>                               | <b>-</b>           | <b>73,425</b>       | <b>73,425</b>    | <b>-</b>         | <b>73,425</b>                                 |
| <b>Total Expenditures</b>   | <b>1,602,140</b>   | <b>780,428</b>      | <b>2,382,568</b> | <b>1,973,120</b> | <b>409,448</b>                                |
| Excess/(Deficiency) of Revenues Over/(Under)<br>Expenditures & Other Financing Sources/(Uses) | -                  | -                   | -                | 9,315            | 9,315   |
| Fund Balance, July 1  | -                  | -                   | -                | 374,853          | -   |
| Fund Balance, June 30   | \$ -               | \$ -                | \$ -             | \$ 384,168       | \$ 9,315                                      |

**RECAPITULATION OF FUND BALANCE**

|                                 |                   |
|---------------------------------|-------------------|
| <b>Restricted Fund Balance:</b> |                   |
| Scholarships                    | \$ 181,126        |
| Student Activities              | 203,042           |
|                                 | <u>\$ 384,168</u> |

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**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II**

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**KINGSWAY REGIONAL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTE TO RSI  
FOR FISCAL YEAR ENDED JUNE 30, 2023**

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

|  | GENERAL<br>FUND | SPECIAL<br>REVENUE<br>FUND |
|--|-----------------|----------------------------|
| Sources/Inflows of Resources:  |                 |                            |
| Actual Amounts (Budgetary Basis) "Revenue"   |                 |                            |
| From the Budgetary Comparison Schedule (C-Series)  | \$ 57,312,734   | \$ 1,982,435               |
| Difference - Budget to GAAP:   |                 |                            |
| Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.   |                 |                            |
| Prior Year   | -               | 752,380                    |
| Current Year   | -               | -                          |
| <br>   |                 |                            |
| State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.  | 1,598,175       | -                          |
| <br>   |                 |                            |
| State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.   | (1,896,833)     | -                          |
|  |                 |                            |
| Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)  | \$ 57,014,076   | \$ 2,734,815               |
| <br>   |                 |                            |
| Uses/outflows of resources:  |                 |                            |
| Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule   | \$ 56,572,941   | \$ 1,973,120               |
| Differences - budget to GAAP   |                 |                            |
| Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes. |                 |                            |
| Current Year   | -               | 752,380                    |
|  |                 |                            |
| Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)   | \$ 56,572,941   | \$ 2,725,500               |

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**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

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L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)

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**KINGSWAY REGIONAL SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
LAST TEN FISCAL YEARS**

|   | 2023         | 2022         | 2021         | 2020          | 2019          | 2018          | 2017          | 2016          | 2015          | 2014         |
|---|--------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|
| District's proportion of the net pension liability (asset)  | 0.000000%    | 0.06039%     | 0.06039%     | 0.05851%      | 0.06374%      | 0.06416%      | 0.06350%      | 0.05938%      | 0.05387%      | 0.051056%    |
| District's proportionate share of the net pension liability (asset)   | \$ 8,975,473 | \$ 7,012,138 | \$ 9,847,656 | \$ 10,541,856 | \$ 12,549,849 | \$ 14,935,400 | \$ 18,807,614 | \$ 13,329,366 | \$ 10,085,971 | \$ 9,757,726 |
| District's covered-employee payroll   | \$ 4,717,083 | \$ 4,427,529 | \$ 4,420,258 | \$ 4,347,470  | \$ 4,310,620  | \$ 4,044,855  | \$ 4,428,385  | \$ 4,327,819  | \$ 4,155,381  | N/A          |
| District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll | 190.28%      | 158.38%      | 222.78%      | 242.48%       | 346.48%       | 369.24%       | 424.71%       | 307.99%       | 242.72%       | N/A          |
| Plan fiduciary net position as a percentage of the total pension liability  | 62.91%       | 70.33%       | 58.32%       | 56.27%        | 53.60%        | 48.10%        | 40.14%        | 56.31%        | 62.41%        | 58.70%       |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)  
LAST TEN FISCAL YEARS**

|  | 2023         | 2022         | 2021         | 2020         | 2019         | 2018         | 2017         | 2016         | 2015         | 2014      |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-----------|
| School District's contractually required contribution                | \$ 749,998   | \$ 693,203   | \$ 660,605   | \$ 569,089   | \$ 633,995   | \$ 594,373   | \$ 564,147   | \$ 510,499   | 444,098      | 384,693   |
| Contributions in relation to the contractually required contribution | (749,998)    | (693,203)    | (660,605)    | (569,089)    | (633,995)    | (594,373)    | (564,147)    | (510,499)    | (444,098)    | (384,693) |
| Contribution deficiency (excess)                                     | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -      |
| School District's covered payroll                                    | \$ 4,717,083 | \$ 4,427,529 | \$ 4,420,258 | \$ 4,347,470 | \$ 4,310,620 | \$ 4,044,855 | \$ 4,428,385 | \$ 4,327,819 | \$ 4,155,381 | **N/A     |
| Contributions as a percentage of covered payroll                     | 15.90%       | 15.66%       | 14.94%       | 13.09%       | 14.71%       | 14.69%       | 12.74%       | 11.80%       | 10.69%       | **N/A     |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
TEACHERS' PENSION AND ANNUITY FUND  
LAST TEN FISCAL YEARS**

|   | 2023          | 2022          | 2021          | 2020          | 2019          | 2018          | 2017          | 2016          | 2015          | 2014         |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|
| School District's proportion of the net pension liability   | 0.000000%     | 0.000000%     | 0.000000%     | 0.000000%     | 0.000000%     | 0.000000%     | 0.000000%     | 0.000000%     | 0.000000%     | 0.000000%    |
| School District's proportionate share of the net pension liability  | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -         |
| State's proportionate share of the net pension liability associated with the School District              | 72,161,372    | 66,177,726    | 83,470,867    | 78,488,888    | 82,851,403    | 85,772,712    | 96,997,063    | 72,207,218    | 59,999,348    | \$57,910,947 |
| School District's covered payroll   | \$ 18,509,011 | \$ 17,527,900 | \$ 16,312,450 | \$ 15,708,221 | \$ 14,752,919 | \$ 13,866,926 | \$ 13,252,305 | \$ 13,020,275 | \$ 12,323,419 | N/A          |
| School District's proportionate share of the net pension liability as a percentage of its covered payroll | 0.00%         | 0.00%         | 0.00%         | 0.00%         | 0.00%         | 0.00%         | 0.00%         | 0.00%         | 0.00%         | 0.00%        |
| Plan fiduciary net position as a percentage of the total pension liability                                | 32.29%        | 35.52%        | 26.95%        | 26.95%        | 26.49%        | 25.41%        | 22.33%        | 28.71%        | 33.64%        | 33.76%       |

\*The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

**KINGSWAY REGIONAL SCHOOL DISTRICT  
SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS  
TEACHERS' PENSION AND ANNUITY FUND (TPAF)  
LAST TEN FISCAL YEARS**

This schedule is not applicable. There is a special funding situation where the State of New Jersey pays 100% of the required contributions associated with the School District.

M. Schedules Related to Accounting and Reporting for Other Post-Employment Benefits (GASB 75)

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**KINGSWAY REGIONAL SCHOOL DISTRICT**  
**SCHEDULE OF CHANGE IN THE NET OPEB LIABILITY AND RELATED RATIOS**  
**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)**  
**LAST SIX FISCAL YEARS\***

|  | 2023                 | 2022                 | 2021                 | 2020                 | 2019                 | 2018                 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Total OPEB Liability Associated with the District                          |                      |                      |                      |                      |                      |                      |
| Service Cost   | \$ 4,659,778         | \$ 5,334,619         | \$ 2,854,520         | \$ 2,788,283         | \$ 3,261,325         | \$ 3,941,593         |
| Interest Cost  | 1,763,222            | 2,052,461            | 1,935,498            | 2,362,155            | 2,581,610            | 2,222,996            |
| Change in Benefit Terms  | -                    | (84,214)             | -                    | -                    | -                    | -                    |
| Differences Between Expected and Actual                                    | 529,541              | (14,589,740)         | 15,351,027           | (10,212,197)         | (8,116,632)          | -                    |
| Changes of Assumptions   | (17,848,316)         | 78,058               | 16,055,082           | 792,932              | (6,774,430)          | (9,835,019)          |
| Contributions: Member  | 56,029               | 52,471               | 46,379               | 48,392               | 54,557               | 59,366               |
| Gross Benefit Payments   | (1,746,523)          | (1,616,764)          | (1,530,150)          | (1,632,496)          | (1,578,544)          | (1,612,222)          |
| Net Change in Total OPEB Liability Associated with the District            | (12,586,269)         | (8,773,109)          | 34,712,356           | (5,852,931)          | (10,572,114)         | (5,223,286)          |
| Total OPEB Liability Associated with the District (Beginning)              | 79,120,171           | 87,893,280           | 53,180,924           | 59,033,855           | 69,605,969           | 74,829,255           |
| Total OPEB Liability Associated with the District (Ending)                 | <u>\$ 66,533,902</u> | <u>\$ 79,120,171</u> | <u>\$ 87,893,280</u> | <u>\$ 53,180,924</u> | <u>\$ 59,033,855</u> | <u>\$ 69,605,969</u> |
| District's Covered Employee Payroll  | \$ 23,226,094        | \$ 21,955,429        | \$ 21,243,786        | \$ 21,414,379        | \$ 21,032,732        | \$ 18,643,489        |
| Net OPEB Liability Associated with the District as a Percentage of Payroll | 286.46%              | 360.37%              | 413.74%              | 248.34%              | 280.68%              | 373.35%              |

Note - The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

\*This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**KINGSWAY REGIONAL SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Teachers Pension and Annuity Fund (TPAF)**

**Changes in Benefit Terms** - None.

**Changes in Assumptions** - None.

**Public Employees' Retirement System (PERS)**

**Changes in Benefit Terms** - None.

**Changes in Assumptions** - None.

**State Health Benefit Local Education Retired Employees Plan (OPEB)**

**Changes in Benefit Terms** - None.

**Changes in Assumptions** - The discount rate changed from 2.16% as of June 30, 2021, to 3.54% as of June 30, 2022.



**OTHER SUPPLEMENTARY INFORMATION**

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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**KINGSWAY REGIONAL SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR FISCAL YEAR ENDED JUNE 30, 2023**

|  | TITLE I          | TITLE II        | IDEA B            | ESSER II        | ARP<br>HOMELESS  |
|--|------------------|-----------------|-------------------|-----------------|------------------|
| Revenues:  |                  |                 |                   |                 |                  |
| Federal Sources  | \$ 82,835        | \$ 3,899        | \$ 524,590        | \$ 2,834        | \$ 10,946        |
| Total Revenues   | <u>\$ 82,835</u> | <u>\$ 3,899</u> | <u>\$ 524,590</u> | <u>\$ 2,834</u> | <u>\$ 10,946</u> |
| Expenditures:  |                  |                 |                   |                 |                  |
| Instruction:   |                  |                 |                   |                 |                  |
| Salaries   | \$ 82,835        | \$ 707          | \$ -              | \$ -            | \$ -             |
| Tuition  | -                | -               | 524,590           | -               | -                |
| Total Instruction  | <u>82,835</u>    | <u>707</u>      | <u>524,590</u>    | <u>-</u>        | <u>-</u>         |
| Support Services:  |                  |                 |                   |                 |                  |
| Salaries   | -                | -               | -                 | 1,239           | -                |
| Purchased Professional Services                              | -                | 2,500           | -                 | 1,595           | -                |
| Other Professional Services                                  | -                | 692             | -                 | -               | 10,946           |
| Total Support Services                                       | <u>-</u>         | <u>3,192</u>    | <u>-</u>          | <u>2,834</u>    | <u>10,946</u>    |
| Total Expenditures   | <u>\$ 82,835</u> | <u>\$ 3,899</u> | <u>\$ 524,590</u> | <u>\$ 2,834</u> | <u>\$ 10,946</u> |
| Excess/(Deficiency) of Revenues<br>Over/(Under) Expenditures | <u>-</u>         | <u>-</u>        | <u>-</u>          | <u>-</u>        | <u>-</u>         |
| Fund Balance, July 1   | <u>-</u>         | <u>-</u>        | <u>-</u>          | <u>-</u>        | <u>-</u>         |
| Fund Balance, June 30  | <u>\$ -</u>      | <u>\$ -</u>     | <u>\$ -</u>       | <u>\$ -</u>     | <u>\$ -</u>      |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR FISCAL YEAR ENDED JUNE 30, 2023**

|  | ESSER III        | ESSER III<br>ACCELERATEE<br>LEARNING | ESSER III<br>MENTAL<br>HEALTH | SAFETY<br>GRANT  | OTHER<br>LOCAL   | STUDENT<br>ACTIVITIES | SCHOLARSHIP       | TOTAL               |
|--|------------------|--------------------------------------|-------------------------------|------------------|------------------|-----------------------|-------------------|---------------------|
| <b>Revenues:</b>   |                  |                                      |                               |                  |                  |                       |                   |                     |
| Local Sources  | \$ -             | \$ -                                 | \$ -                          | \$ 10,989        | \$ 27,335        | \$ 1,076,679          | \$ 2,386          | \$ 1,117,389        |
| State Sources  | -                | -                                    | -                             | -                | -                | -                     | -                 | -                   |
| Federal Sources  | 78,801           | 105,938                              | 55,203                        | -                | -                | -                     | -                 | 865,046             |
| <b>Total Revenues</b>  | <b>\$ 78,801</b> | <b>\$ 105,938</b>                    | <b>\$ 55,203</b>              | <b>\$ 10,989</b> | <b>\$ 27,335</b> | <b>\$ 1,076,679</b>   | <b>\$ 2,386</b>   | <b>\$ 1,982,435</b> |
| <b>Expenditures:</b>   |                  |                                      |                               |                  |                  |                       |                   |                     |
| <b>Instruction:</b>  |                  |                                      |                               |                  |                  |                       |                   |                     |
| Salaries   | \$ -             | \$ -                                 | \$ -                          | \$ -             | \$ 15,000        | \$ -                  | \$ -              | \$ 98,542           |
| Purchased Professional Services                                      | -                | -                                    | -                             | -                | -                | -                     | -                 | -                   |
| Tuition  | -                | -                                    | -                             | -                | -                | -                     | -                 | 524,590             |
| Other Purchased Services   | -                | -                                    | -                             | 10,989           | -                | -                     | -                 | 10,989              |
| General Supplies   | -                | -                                    | -                             | -                | 12,335           | -                     | -                 | 12,335              |
| <b>Total Instruction</b>   | <b>-</b>         | <b>-</b>                             | <b>-</b>                      | <b>10,989</b>    | <b>27,335</b>    | <b>-</b>              | <b>-</b>          | <b>646,456</b>      |
| <b>Support Services:</b>   |                  |                                      |                               |                  |                  |                       |                   |                     |
| Salaries   | 78,801           | 105,938                              | 47,932                        | -                | -                | -                     | -                 | 233,910             |
| Personal Services - Employee Benefits                                | -                | -                                    | -                             | -                | -                | -                     | -                 | -                   |
| Purchased Professional Services                                      | -                | -                                    | 7,271                         | -                | -                | -                     | -                 | 11,366              |
| Other Professional Services  | -                | -                                    | -                             | -                | -                | -                     | -                 | 11,638              |
| Student Activities   | -                | -                                    | -                             | -                | -                | 1,067,950             | -                 | 1,067,950           |
| Scholarship  | -                | -                                    | -                             | -                | -                | -                     | 1,800             | 1,800               |
| <b>Total Support Services</b>  | <b>78,801</b>    | <b>105,938</b>                       | <b>55,203</b>                 | <b>-</b>         | <b>-</b>         | <b>1,067,950</b>      | <b>1,800</b>      | <b>1,326,664</b>    |
| <b>Total Expenditures</b>  | <b>\$ 78,801</b> | <b>\$ 105,938</b>                    | <b>\$ 55,203</b>              | <b>\$ 10,989</b> | <b>\$ 27,335</b> | <b>\$ 1,067,950</b>   | <b>\$ 1,800</b>   | <b>\$ 1,973,120</b> |
| <b>Excess/(Deficiency) of Revenues<br/>Over/(Under) Expenditures</b> | <b>-</b>         | <b>-</b>                             | <b>-</b>                      | <b>-</b>         | <b>-</b>         | <b>8,729</b>          | <b>586</b>        | <b>9,315</b>        |
| <b>Fund Balance, July 1</b>  | <b>-</b>         | <b>-</b>                             | <b>-</b>                      | <b>-</b>         | <b>-</b>         | <b>194,313</b>        | <b>180,540</b>    | <b>374,853</b>      |
| <b>Fund Balance, June 30</b>   | <b>\$ -</b>      | <b>\$ -</b>                          | <b>\$ -</b>                   | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ 203,042</b>     | <b>\$ 181,126</b> | <b>\$ 384,168</b>   |



F. Capital Projects Fund

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**KINGSWAY REGIONAL SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PROJECT EXPENDITURES  
FOR FISCAL YEAR ENDED JUNE 30, 2022**

| PROJECT TITLE                                     | ORIGINAL DATE | BUDGETARY APPROPRIATIONS | EXPENDITURES |              | TRANSFER TO DEBT SERVICE | UNEXPENDED BALANCE |
|---|---------------|--------------------------|--------------|--------------|--------------------------|--------------------|
|   |               |                          | PRIOR YEAR   | CURRENT YEAR |                          |                    |
| Stadium and Turf Project                          | 07/01/19      | \$ 4,420,031             | \$ 4,360,134 | \$ -         | \$ -                     | \$ 59,897          |
| Miscellaneous High School Renovations             | 03/16/22      | 2,600,000                | 198,776      | 2,335,583    | -                        | 65,641             |
| Baseball Field Improvements & Equipment Purchases | 07/08/22      | 1,035,000                | -            | 1,035,000    | -                        | -                  |
| Total   |               |                          | \$ 4,558,910 | \$ 3,370,583 | \$ -                     | \$ 125,538         |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE-BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2023**

**Revenues and Other Financing Sources:**

|                                   |                  |
|-----------------------------------|------------------|
| Transfer from Capital Reserve     | \$ 2,600,000     |
| Lease Purchase Agreement Proceeds | 1,035,000        |
| Interest                          | <u>38</u>        |
| Total Revenues                    | <u>3,635,038</u> |

**Expenditures and Other Financing Uses:**

|   |                  |
|---|------------------|
| Purchased Professional & Technical Services | 76,980           |
| Construction Services                       | 2,303,262        |
| Supplies                                    | 245,341          |
| Equipment Purchases                         | <u>745,000</u>   |
| Total Expenditures                          | <u>3,370,583</u> |

|   |                   |
|---|-------------------|
| Excess/(Deficiency) of Revenues Over/(Under) Expenditures | 264,455           |
| Fund Balance - Beginning                                  | <u>(138,917)</u>  |
| Fund Balance - Ending                                     | <u>\$ 125,538</u> |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND  
PROJECT STATUS - BUDGETARY BASIS  
TRACK AND STADIUM  
FOR THE YEAR ENDED JUNE 30, 2023**

|  | PRIOR<br>PERIODS | CURRENT<br>YEAR | TOTALS           | REVISED<br>AUTHORIZED<br>COST |
|--|------------------|-----------------|------------------|-------------------------------|
| Revenues & Other Financing Sources:                          |                  |                 |                  |                               |
| Lease Proceeds   | \$ 1,600,000     | \$ -            | \$ 1,600,000     | \$ 1,600,000                  |
| Transfer from Capital Outlay                                 | 2,818,722        | -               | 2,818,722        | 2,818,722                     |
| Interest   | 1,271            | 38              | 1,309            | 1,309                         |
| <b>Total Revenues</b>  | <b>4,419,993</b> | <b>38</b>       | <b>4,420,031</b> | <b>4,420,031</b>              |
| Expenditures & Other Financing Uses:                         |                  |                 |                  |                               |
| Purchased Professional &<br>Technical Services               | 164,527          | -               | 164,527          | 164,527                       |
| Construction Services  | 3,433,327        | -               | 3,433,327        | 3,493,224                     |
| Equipment Purchases  | 762,280          | -               | 762,280          | 762,280                       |
| <b>Total Expenditures</b>                                    | <b>4,360,134</b> | <b>-</b>        | <b>4,360,134</b> | <b>4,420,031</b>              |
| Excess/(Deficiency) of Revenues<br>Over/(Under) Expenditures | \$ 59,859        | \$ 38           | \$ 59,897        | \$ -                          |

**ADDITIONAL PROJECT INFORMATION**

|   |              |
|---|--------------|
| Project Number                                    | N/A          |
| Grant Date  | N/A          |
| Bond Authorization Date                           | N/A          |
| Bonds Authorized                                  | N/A          |
| Bonds Issued                                      | N/A          |
| Original Authorized Cost                          | \$ 4,420,031 |
| Revised Authorized Cost                           | \$ 4,420,031 |
| Percentage Increase Over Original Authorized Cost | N/A          |
| Original Target Completion Date                   | 6/30/20      |
| Revised Target Completion Date                    | 6/30/20      |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND  
PROJECT STATUS - BUDGETARY BASIS  
HIGH SCHOOL MISCELLANEOUS RENOVATIONS  
FOR THE YEAR ENDED JUNE 30, 2023**

|  | PRIOR<br>PERIODS    | CURRENT<br>YEAR   | TOTALS           | REVISED<br>AUTHORIZED<br>COST |
|--|---------------------|-------------------|------------------|-------------------------------|
| Revenues & Other Financing Sources:                          |                     |                   |                  |                               |
| State Sources - SDA Grant                                    | \$ -                | \$ -              | \$ -             | \$ -                          |
| Transfer from Capital Reserve                                | -                   | 2,600,000         | 2,600,000        | 2,600,000                     |
| <b>Total Revenues</b>  | <b>-</b>            | <b>2,600,000</b>  | <b>2,600,000</b> | <b>2,600,000</b>              |
| Expenditures & Other Financing Uses:                         |                     |                   |                  |                               |
| Purchased Professional &<br>Technical Services               | 198,776             | 76,980            | 275,756          | 275,756                       |
| Construction Services  | -                   | 2,013,262         | 2,013,262        | 2,078,903                     |
| Supplies   | -                   | 245,341           | 245,341          | 245,341                       |
| <b>Total Expenditures</b>                                    | <b>198,776</b>      | <b>2,335,583</b>  | <b>2,534,359</b> | <b>2,600,000</b>              |
| Excess/(Deficiency) of Revenues<br>Over/(Under) Expenditures | <u>\$ (198,776)</u> | <u>\$ 264,417</u> | <u>\$ 65,641</u> | <u>\$ -</u>                   |

**ADDITIONAL PROJECT INFORMATION**

|   |                  |
|---|------------------|
| Project Number                                    |                  |
| Grant Date  | 2440-050-22-1000 |
| Bond Authorization Date                           | N/A              |
| Bonds Authorized                                  | \$ -             |
| Bonds Issued                                      | \$ -             |
| Original Authorized Cost                          | \$ 2,600,000     |
| Revised Authorized Cost                           |                  |
| Percentage Increase Over Original Authorized Cost | 0%               |
| Original Target Completion Date                   | 6/30/23          |
| Revised Target Completion Date                    | N/A              |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND  
PROJECT STATUS - BUDGETARY BASIS  
HIGH SCHOOL MISCELLANEOUS RENOVATIONS  
FOR THE YEAR ENDED JUNE 30, 2023**

|  | PRIOR<br>PERIODS | CURRENT<br>YEAR  | TOTALS           | REVISED<br>AUTHORIZED<br>COST |
|--|------------------|------------------|------------------|-------------------------------|
| Revenues & Other Financing Sources:                          |                  |                  |                  |                               |
| Lease Purchase Agreement Proceeds                            | \$ -             | \$ 1,035,000     | \$ 1,035,000     | \$ 1,035,000                  |
| <b>Total Revenues</b>  | <b>-</b>         | <b>1,035,000</b> | <b>1,035,000</b> | <b>1,035,000</b>              |
| Expenditures & Other Financing Uses:                         |                  |                  |                  |                               |
| Construction Services  | -                | 290,000          | 290,000          | 290,000                       |
| Equipment Purchases  | -                | 745,000          | 745,000          | 745,000                       |
| <b>Total Expenditures</b>                                    | <b>-</b>         | <b>1,035,000</b> | <b>1,035,000</b> | <b>1,035,000</b>              |
| Excess/(Deficiency) of Revenues<br>Over/(Under) Expenditures | \$ -             | \$ -             | \$ -             | \$ -                          |

**ADDITIONAL PROJECT INFORMATION**

|   |                  |
|---|------------------|
| Project Number                                    |                  |
| Grant Date  | 2440-050-22-1000 |
| Bond Authorization Date                           | N/A              |
| Bonds Authorized                                  | \$ -             |
| Bonds Issued                                      | \$ -             |
| Original Authorized Cost                          | \$ 2,600,000     |
| Revised Authorized Cost                           |                  |
| Percentage Increase Over Original Authorized Cost | 0%               |
| Original Target Completion Date                   | 6/30/23          |
| Revised Target Completion Date                    | N/A              |

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G. Proprietary Funds

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Enterprise Funds

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**KINGSWAY REGIONAL SCHOOL DISTRICT  
ENTERPRISE FUND  
COMBINING SCHEDULE OF NET POSITION  
AS OF JUNE 30, 2023**

| ASSETS                           | FOOD<br>SERVICE<br>FUND | COMMUNITY<br>EDUCATION | 2023         |
|----------------------------------|-------------------------|------------------------|--------------|
| Current Assets:                  |                         |                        |              |
| Cash & Cash Equivalents          | \$ 1,167,593            | \$ 239,998             | \$ 1,407,591 |
| Accounts Receivable:             |                         |                        |              |
| State                            | 743                     | -                      | 743          |
| Federal                          | 14,849                  | -                      | 14,849       |
| Other                            | 9,066                   | -                      | 9,066        |
| Inventories                      | 15,486                  | -                      | 15,486       |
|                                  | <hr/>                   |                        |              |
| Total Current Assets             | 1,207,737               | 239,998                | 1,447,735    |
| Noncurrent Assets:               |                         |                        |              |
| Furniture, Machinery & Equipment | 1,088,215               | -                      | 1,088,215    |
| Accumulated Depreciation         | (780,003)               | -                      | (780,003)    |
|                                  | <hr/>                   |                        |              |
| Total Noncurrent Assets          | 308,212                 | -                      | 308,212      |
|                                  | <hr/>                   |                        |              |
| Total Assets                     | 1,515,949               | 239,998                | 1,755,947    |
| <br>                             |                         |                        |              |
| LIABILITIES:                     |                         |                        |              |
| Current Liabilities:             |                         |                        |              |
| Unearned Revenue                 | 73,779                  | -                      | 73,779       |
|                                  | <hr/>                   |                        |              |
| Total Current Liabilities        | 73,779                  | -                      | 73,779       |
| Noncurrent Liabilities:          |                         |                        |              |
| Compensated Absences             | 68,867                  | -                      | 68,867       |
|                                  | <hr/>                   |                        |              |
| Total Noncurrent Liabilities     | 68,867                  | -                      | 68,867       |
|                                  | <hr/>                   |                        |              |
| Total Liabilities                | 142,646                 | -                      | 142,646      |
| <br>                             |                         |                        |              |
| NET POSITION                     |                         |                        |              |
| Investment in Capital Assets     | 308,212                 | -                      | 308,212      |
| Unrestricted Net Position        | 1,065,091               | 239,998                | 1,305,089    |
|                                  | <hr/>                   |                        |              |
| Total Net Position               | \$ 1,373,303            | \$ 239,998             | \$ 1,613,301 |
|                                  | <hr/>                   |                        |              |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
ENTERPRISE FUND  
COMBINING SCHEDULE OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET POSITION  
AS OF JUNE 30, 2023**

|   | FOOD<br>SERVICE<br>FUND | COMMUNITY<br>EDUCATION | TOTAL        |
|---|-------------------------|------------------------|--------------|
| Operating Revenue:                        |                         |                        |              |
| Local Sources:                            |                         |                        |              |
| Daily Sales - Reimbursable Programs       | \$ 465,027              | \$ -                   | \$ 465,027   |
| Daily Sales - Nonreimbursable Programs    | 450,400                 | -                      | 450,400      |
| Vending Machine Sales                     | 9,896                   | -                      | 9,896        |
| Special Function                          | 79,733                  | -                      | 79,733       |
| Program Fees                              | -                       | 324,440                | 324,440      |
|   | <hr/>                   |                        |              |
| Total Operating Revenue                   | 1,005,056               | 324,440                | 1,329,496    |
| <hr/>                                     |                         |                        |              |
| Operating Expenses:                       |                         |                        |              |
| Salaries                                  | 478,477                 | 150,528                | 629,005      |
| Employee Benefits                         | 169,238                 | -                      | 169,238      |
| Other Professional Services               | -                       | 12,298                 | 12,298       |
| Supplies and Materials                    | 32,673                  | 20,483                 | 53,156       |
| Cleaning, Repair & Maintenance Services   | 31,090                  | -                      | 31,090       |
| Miscellaneous Expenses                    | 3,857                   | 38,918                 | 42,775       |
| Depreciation                              | 45,814                  | -                      | 45,814       |
| Cost of Sales - Reimbursable Programs     | 371,736                 | -                      | 371,736      |
| Cost of Sales - Non-Reimbursable Programs | 291,794                 | -                      | 291,794      |
|   | <hr/>                   |                        |              |
| Total Operating Expenses                  | 1,424,679               | 222,227                | 1,646,906    |
| <hr/>                                     |                         |                        |              |
| Operating (Loss)/Gain                     | (419,623)               | 102,213                | (317,410)    |
| <hr/>                                     |                         |                        |              |
| Nonoperating Revenues:                    |                         |                        |              |
| State Sources:                            |                         |                        |              |
| State School Lunch Program                | 13,486                  | -                      | 13,486       |
| Federal Sources:                          |                         |                        |              |
| National School Lunch Program             | 258,471                 | -                      | 258,471      |
| Healthy Hunger-Free Kids Act              | 12,332                  | -                      | 12,332       |
| Food Distribution Program                 | 79,942                  | -                      | 79,942       |
| Supply Chain Assistance Funds             | 95,789                  | -                      | 95,789       |
| Interest Revenue                          | 5,456                   | -                      | 5,456        |
|   | <hr/>                   |                        |              |
| Total Nonoperating Revenues               | 465,476                 | -                      | 465,476      |
| <hr/>                                     |                         |                        |              |
| Net Income/(Loss)                         | 45,853                  | 102,213                | 148,066      |
| <hr/>                                     |                         |                        |              |
| Change in Net Position                    | 45,853                  | 102,213                | 148,066      |
| Total Net Position - Beginning            | 1,327,450               | 137,785                | 1,465,235    |
| <hr/>                                     |                         |                        |              |
| Total Net Position - Ending               | \$ 1,373,303            | \$ 239,998             | \$ 1,613,301 |
| <hr/>                                     |                         |                        |              |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
ENTERPRISE FUND  
COMBINING SCHEDULE OF CASH FLOWS  
AS OF JUNE 30, 2023**

|   | FOOD<br>SERVICE<br>FUND | COMMUNITY<br>EDUCATION | 2023                |
|---|-------------------------|------------------------|---------------------|
| <b>Cash Flows From Operating Activities:</b>                      |                         |                        |                     |
| Receipts from Customers   | \$ 1,054,514            | \$ 324,440             | \$ 1,378,954        |
| Payments to Employees   | (453,506)               | (150,528)              | (604,034)           |
| Payments for Employee Benefits                                    | (169,238)               | -                      | (169,238)           |
| Payments to Suppliers   | (737,030)               | (78,493)               | (815,523)           |
| <b>Net Cash Provided/(Used) by Operating Activities</b>           | <b>(305,260)</b>        | <b>95,419</b>          | <b>(209,841)</b>    |
| <b>Cash Flows From Investing Activities:</b>                      |                         |                        |                     |
| Interest & Dividends  | 5,456                   | -                      | 5,456               |
| Purchase of Equipment   | (208,983)               | -                      | (208,983)           |
| <b>Net Cash Provided by Investing Activities</b>                  | <b>(203,527)</b>        | <b>-</b>               | <b>(203,527)</b>    |
| <b>Cash Flows From Noncapital Financing Activities:</b>           |                         |                        |                     |
| State Sources   | 14,275                  | -                      | 14,275              |
| Federal Sources   | 498,252                 | -                      | 498,252             |
| <b>Net Cash Provided by Noncapital Financing Activities</b>       | <b>512,527</b>          | <b>-</b>               | <b>512,527</b>      |
| <b>Net Increase/(Decrease) in Cash &amp; Cash<br/>Equivalents</b> |                         |                        |                     |
| Cash & Cash Equivalents, July 1                                   | 1,163,853               | 144,579                | 1,308,432           |
| <b>Cash &amp; Cash Equivalents, June 30</b>                       | <b>\$ 1,167,593</b>     | <b>\$ 239,998</b>      | <b>\$ 1,407,591</b> |

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

|  |                     |                   |                     |
|--|---------------------|-------------------|---------------------|
| <b>Cash Provided/(Used) by Operating Activities:</b>   |                     |                   |                     |
| Operating Income/(Loss)  | \$ (419,623)        | \$ 102,213        | \$ (317,410)        |
| <b>Adjustments to Reconcile Operating Income/(Loss)<br/>to Cash Provided/(Used) by Operating Activities:</b> |                     |                   |                     |
| Depreciation Expense   | 45,814              | -                 | 45,814              |
| <b>Change in Assets &amp; Liabilities:</b>   |                     |                   |                     |
| (Increase)/Decrease in Inventory   | (5,880)             | -                 | (5,880)             |
| Increase/(Decrease) in Accounts Payable  | -                   | (6,794)           | (6,794)             |
| Increase/(Decrease) in Unearned Revenue  | 49,458              | -                 | 49,458              |
| Increase/(Decrease) in Compensated Absences  | 24,971              | -                 | 24,971              |
| <b>Total Adjustments</b>   | <b>114,363</b>      | <b>(6,794.00)</b> | <b>107,569</b>      |
| <b>Net Cash Provided/(Used) by Operating<br/>Activities</b>  | <b>\$ (305,260)</b> | <b>\$ 95,419</b>  | <b>\$ (209,841)</b> |

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Internal Service Fund

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**KINGSWAY REGIONAL SCHOOL DISTRICT  
INTERNAL SERVICE FUND  
COMBINING STATEMENT OF NET POSITION  
AS OF JUNE 30, 2023**

| ASSETS                        | GOVERNMENTAL ACTIVITIES    |                        |         |
|-------------------------------|----------------------------|------------------------|---------|
|                               | TRANSPORTATION<br>SERVICES | TECHNOLOGY<br>SERVICES | TOTAL   |
| Cash                          | \$ -                       | \$ -                   | \$ -    |
| Accounts Receivable:          |                            |                        |         |
| Interfund Accounts Receivable | 29,708                     | -                      | 29,708  |
| Intergovernmental - Other     | 267,222                    | 44,010                 | 311,232 |
| Other Accounts Receivable     | 6                          | -                      | 6       |
|                               |                            |                        |         |
| Total Assets                  | 296,936                    | 44,010                 | 340,946 |
|                               |                            |                        |         |
| LIABILITIES                   |                            |                        |         |
| Cash Deficit                  | 296,936                    | 22,832                 | 319,768 |
| Accounts Payable              | -                          | -                      | -       |
| Interfund Accounts Payable    | -                          | 21,178                 | 21,178  |
|                               |                            |                        |         |
| Total Liabilities             | 296,936                    | 44,010                 | 340,946 |
|                               |                            |                        |         |
| NET POSITION                  |                            |                        |         |
| Unrestricted Net Position     | -                          | -                      | -       |
|                               |                            |                        |         |
| Total Net Position            | \$ -                       | \$ -                   | \$ -    |
|                               |                            |                        |         |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
INTERNAL SERVICE FUND  
COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET POSITION  
AS OF JUNE 30, 2023**

|   | <u>GOVERNMENTAL ACTIVITIES</u>     |                                | TOTAL        |
|---|------------------------------------|--------------------------------|--------------|
|   | <u>TRANSPORTATION<br/>SERVICES</u> | <u>TECHNOLOGY<br/>SERVICES</u> |              |
| <b>OPERATING REVENUES:</b>              |                                    |                                |              |
| Local Sources:                          |                                    |                                |              |
| Transportation Fees                     | \$ 2,586,937                       | \$ -                           | \$ 2,586,937 |
| Shared Service Fees                     | -                                  | 162,791                        | 162,791      |
|   | <hr/>                              |                                |              |
| Total Operating Revenue                 | 2,586,937                          | 162,791                        | 2,749,728    |
|   | <hr/>                              |                                |              |
| <b>OPERATING EXPENSES:</b>              |                                    |                                |              |
| Salaries                                | 598,718                            | 138,833                        | 737,551      |
| Employee Benefits                       | 30                                 | -                              | 30           |
| Cleaning, Repair & Maintenance Services | 237                                | -                              | 237          |
| Aid in Lieu of Transportation           | 221,100                            | -                              | 221,100      |
| Transportation To/From                  | 1,611,218                          | -                              | 1,611,218    |
| Supplies & Materials                    | 128,866                            | -                              | 128,866      |
|   | <hr/>                              |                                |              |
| Total Operating Expenses                | 2,560,169                          | 138,833                        | 2,699,002    |
|   | <hr/>                              |                                |              |
| Net Income/(Loss)                       | 26,768                             | 23,958                         | 50,726       |
|   | <hr/>                              |                                |              |
| <b>Other Financing Sources/(Uses):</b>  |                                    |                                |              |
| Operating Transfer In/(Out):            |                                    |                                |              |
| Transfer to General Fund                | (26,768)                           | (23,958)                       | (50,726)     |
|   | <hr/>                              |                                |              |
| Total Other Financing Sources/(Uses)    | (26,768)                           | (23,958)                       | (50,726)     |
|   | <hr/>                              |                                |              |
| Change in Net Position                  | -                                  | -                              | -            |
| Total Net Position- July 1              | -                                  | -                              | -            |
|   | <hr/>                              |                                |              |
| Total Net Position - June 30            | \$ -                               | \$ -                           | \$ -         |
|   | <hr/> <hr/>                        |                                |              |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
INTERNAL SERVICE FUND  
COMBINING STATEMENT OF CASH FLOWS  
AS OF JUNE 30, 2023**

|   | <u>GOVERNMENTAL ACTIVITIES</u>     |                                | TOTAL               |
|---|------------------------------------|--------------------------------|---------------------|
|   | <u>TRANSPORTATION<br/>SERVICES</u> | <u>TECHNOLOGY<br/>SERVICES</u> |                     |
| Cash Flows From Operating Activities:                   |                                    |                                |                     |
| Receipts from Customers                                 | \$ 2,567,996                       | \$ 160,447                     | \$ 2,728,443        |
| Payments to Employees                                   | (598,718)                          | (117,655)                      | (716,373)           |
| Payments for Employee Benefits                          | (30)                               | -                              | (30)                |
| Payments to Suppliers                                   | (2,062,026)                        | -                              | (2,062,026)         |
| Net Cash Provided/(Used) by<br>Operating Activities     | <u>(92,778)</u>                    | <u>42,792</u>                  | <u>(49,986)</u>     |
| Cash Flows From Noncapital Financing Activities:        |                                    |                                |                     |
| Transfer to General Fund                                | <u>(26,768)</u>                    | <u>(23,958)</u>                | <u>(50,726)</u>     |
| Net Cash Provided by Noncapital Financing<br>Activities | <u>(26,768)</u>                    | <u>(23,958)</u>                | <u>(50,726)</u>     |
| Net Increase/(Decrease) in Cash & Cash<br>Equivalents   | (119,546)                          | 18,834                         | (100,712)           |
| Cash & Cash Equivalents, July 1                         | <u>(177,390)</u>                   | <u>(41,666)</u>                | <u>(219,056)</u>    |
| Cash & Cash Equivalents, June 30                        | <u>\$ (296,936)</u>                | <u>\$ (22,832)</u>             | <u>\$ (319,768)</u> |

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

|  |                    |                  |                    |
|--|--------------------|------------------|--------------------|
| Reconciliation of Operating Income (Loss)<br>to Cash Provided/(Used) by Operating Activities:        | \$ 26,768          | \$ 23,958        | \$ 50,726          |
| Adjustments to Reconcile Operating Income/(Loss)<br>in Cash Provided/(Used) by Operating Activities: |                    |                  |                    |
| Change in Assets & Liabilities:  |                    |                  |                    |
| (Increase)/Decrease in Accounts Receivable   | (18,941)           | (5,124)          | (24,065)           |
| (Increase)/Decrease in Interfund Receivable  | 26,767             | 2,780            | 29,547             |
| Increase/(Decrease) in Interfund Payable   | -                  | 21,178           | 21,178             |
| Increase/(Decrease) in Accounts Payable  | (127,372)          | -                | (127,372)          |
| Total Adjustments  | <u>(119,546)</u>   | <u>18,834</u>    | <u>(100,712)</u>   |
| Net Cash Provided/(Used) by Operating<br>Activities  | <u>\$ (92,778)</u> | <u>\$ 42,792</u> | <u>\$ (49,986)</u> |

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## I. Long-Term Debt

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**KINGSWAY REGIONAL SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF FINANCED PURCHASES  
JUNE 30, 2023**

| SERIES                   | DATE    | TERM    | INTEREST RATE PAYABLE | AMOUNT OF ORIGINAL ISSUE | AMOUNT OUTSTANDING JUNE 30, 2022 | ISSUED CURRENT YEAR | RETIRED CURRENT YEAR | AMOUNT OUTSTANDING JUNE 30, 2023 |
|--------------------------|---------|---------|-----------------------|--------------------------|----------------------------------|---------------------|----------------------|----------------------------------|
| Lease Purchase Agreement | 7/01/19 | 5 Years | 2.37%                 | 1,600,000                | \$ 983,077                       | \$ -                | \$ 320,051           | \$ 663,026                       |
| Lease Purchase Agreement | 7/8/22  | 5 Years | 3.07%                 | 1,035,000                | -                                | 1,035,000           | 209,692              | 825,308                          |
| <b>Total</b>             |         |         |                       |                          | <u>\$ 983,077</u>                | <u>\$ 1,035,000</u> | <u>\$ 529,743</u>    | <u>\$ 1,488,334</u>              |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
DEBT SERVICE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

|                                 | JUNE 30, 2023      |                     |                 |              | NEGATIVE<br>FINAL TO<br>ACTUAL |
|---------------------------------|--------------------|---------------------|-----------------|--------------|--------------------------------|
|                                 | ORIGINAL<br>BUDGET | BUDGET<br>TRANSFERS | FINAL<br>BUDGET | ACTUAL       |                                |
| Revenues:                       |                    |                     |                 |              |                                |
| Local Sources:                  |                    |                     |                 |              |                                |
| Local Tax Levy                  | \$ 2,744,191       | \$ -                | \$ 2,744,191    | \$ 2,744,191 | \$ -                           |
| State Sources:                  |                    |                     |                 |              |                                |
| Debt Service Aid Type II        | 520,736            | -                   | 520,736         | 520,736      | -                              |
| Miscellaneous                   | -                  | -                   | -               | -            | -                              |
| Total Revenues                  | 3,264,927          | -                   | 3,264,927       | 3,264,927    | -                              |
| Expenditures:                   |                    |                     |                 |              |                                |
| Regular Debt Service:           |                    |                     |                 |              |                                |
| Interest                        | 715,459            | -                   | 715,459         | 715,458      | 1                              |
| Principal                       | 2,615,000          | -                   | 2,615,000       | 2,615,000    | -                              |
| Total Expenditures              | 3,330,459          | -                   | 3,330,459       | 3,330,458    | 1                              |
| Excess/(Deficiency) of Revenues |                    |                     |                 |              |                                |
| Over/(Under) Expenditures       | (65,532)           | -                   | (65,532)        | (65,531)     | 1                              |
| Fund Balance July 1             | 65,531             | -                   | 65,531          | 65,531       | -                              |
| Fund Balance June 30            | \$ (1)             | \$ -                | \$ (1)          | \$ -         | \$ 1                           |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS  
JUNE 30, 2023**

| SERIES           | DATE     | TERM      | INTEREST RATE PAYABLE | AMOUNT OF ORIGINAL ISSUE | AMOUNT OUTSTANDING JUNE 30, 2022 | ISSUED CURRENT YEAR | RETIRED CURRENT YEAR | AMOUNT OUTSTANDING JUNE 30, 2023 |
|------------------|----------|-----------|-----------------------|--------------------------|----------------------------------|---------------------|----------------------|----------------------------------|
| Brainpop.com     | 7/1/22   | 36 months | 2.184%                | \$ 10,294                | \$ -                             | \$ 10,294           | \$ 3,487             | \$ 6,807                         |
| Pear Deck        | 7/1/22   | 36 months | 2.024%                | 24,661                   | -                                | 24,661              | 8,358                | 16,303                           |
| Genesis SIS      | 10/27/22 | 72 months | 3.331%                | 50,260                   | -                                | 50,260              | -                    | 50,260                           |
| Panopto          | 7/1/22   | 60 months | 2.024%                | 39,348                   | -                                | 39,348              | 7,001                | 32,347                           |
| Genesis SchoolFi | 10/20/22 | 48 months | 3.269%                | 106,165                  | -                                | 106,165             | 26,549               | 79,616                           |
| Microsoft        | 7/1/22   | 60 months | 2.024%                | 134,640                  | -                                | 134,640             | 27,569               | 107,071                          |
| Total            |          |           |                       | \$ -                     | \$ -                             | \$ 365,368          | \$ 72,964            | \$ 292,404                       |

**STATISTICAL SECTION (Unaudited)**

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

|                                       | FISCAL YEAR ENDING JUNE 30, |                      |                      |                      |                      |                      |                      |                      |                      |                      |
|---------------------------------------|-----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|                                       | 2023                        | 2022                 | 2021                 | 2020                 | 2019                 | 2018                 | 2017                 | 2016                 | 2015                 | 2014                 |
| <b>Governmental Activities:</b>       |                             |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Net Investment in Capital Assets      | \$ 32,219,629               | \$ 28,205,027        | \$ 25,937,803        | \$ 24,920,116        | \$ 21,168,090        | \$ 19,836,311        | \$ 19,475,201        | \$ 17,827,660        | \$ 17,607,415        | \$ 16,354,079        |
| Restricted                            | 2,871,363                   | 4,210,344            | 5,108,442            | 3,839,389            | 5,390,046            | 5,788,430            | 3,279,005            | 3,406,385            | 4,725,703            | 3,584,379            |
| Unrestricted                          | (12,249,931)                | (13,213,350)         | (16,132,674)         | (16,826,304)         | (15,114,769)         | (14,742,313)         | (9,870,037)          | 1,100,145            | 139,963              | 53,340               |
| <b>Total Governmental Activities</b>  | <b>\$ 22,841,061</b>        | <b>\$ 19,202,021</b> | <b>\$ 14,913,571</b> | <b>\$ 11,933,201</b> | <b>\$ 11,443,367</b> | <b>\$ 10,882,428</b> | <b>\$ 12,884,169</b> | <b>\$ 22,334,190</b> | <b>\$ 22,473,081</b> | <b>\$ 19,991,798</b> |
| <b>Business-Type Activities:</b>      |                             |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Investment in Capital Assets          | \$ 308,212                  | \$ 145,043           | \$ 143,977           | \$ 162,482           | \$ 132,102           | \$ 123,469           | \$ 100,476           | \$ 10,215            | \$ 10,762            | \$ 41,293            |
| Unrestricted                          | 1,305,089                   | 1,320,192            | 509,036              | 234,062              | 977,835              | 878,083              | 361,896              | 391,020              | 275,518              | 218,608              |
| <b>Total Business-Type Activities</b> | <b>\$ 1,613,301</b>         | <b>\$ 1,465,235</b>  | <b>\$ 653,013</b>    | <b>\$ 396,544</b>    | <b>\$ 1,109,937</b>  | <b>\$ 1,001,552</b>  | <b>\$ 462,372</b>    | <b>\$ 401,235</b>    | <b>\$ 286,280</b>    | <b>\$ 259,901</b>    |
| <b>District-Wide:</b>                 |                             |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Net Investment in Capital Assets      | \$ 32,527,841               | \$ 28,350,070        | \$ 26,081,780        | \$ 25,082,598        | \$ 21,300,192        | \$ 19,959,780        | \$ 19,575,677        | \$ 17,837,875        | \$ 17,618,177        | \$ 16,395,372        |
| Restricted                            | 2,871,363                   | 4,210,344            | 5,108,442            | 3,839,389            | 5,390,046            | 5,788,430            | 3,279,005            | 3,406,385            | 4,725,703            | 3,584,379            |
| Unrestricted                          | (10,944,842)                | (11,893,158)         | (15,623,638)         | (16,592,242)         | (14,136,934)         | (13,864,230)         | (9,508,141)          | 1,491,165            | 415,481              | 271,948              |
| <b>Total District Net Position</b>    | <b>\$ 24,454,362</b>        | <b>\$ 20,667,256</b> | <b>\$ 15,566,584</b> | <b>\$ 12,329,745</b> | <b>\$ 12,553,304</b> | <b>\$ 11,883,980</b> | <b>\$ 13,346,541</b> | <b>\$ 22,735,425</b> | <b>\$ 22,759,361</b> | <b>\$ 20,251,699</b> |

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

|   | 2023          | 2022          | 2021          | 2020          | 2019          | 2018          | 2017          | 2016          | 2015          | 2014          |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| FISCAL YEAR ENDING JUNE 30.                     |               |               |               |               |               |               |               |               |               |               |
| Expenses:                                       |               |               |               |               |               |               |               |               |               |               |
| Governmental Activities                         |               |               |               |               |               |               |               |               |               |               |
| Instruction:                                    |               |               |               |               |               |               |               |               |               |               |
| Regular   | \$ 18,213,739 | \$ 17,302,114 | \$ 15,513,255 | \$ 14,771,794 | \$ 14,265,494 | \$ 12,871,811 | \$ 14,702,463 | \$ 12,536,245 | \$ 11,978,588 | \$ 11,243,222 |
| Special Education                               | 4,096,039     | 4,404,340     | 4,880,177     | 3,832,580     | 3,553,738     | 3,186,610     | 3,732,321     | 3,317,324     | 2,965,920     | 3,056,553     |
| Other Instruction                               | 91,278        | 3,215         | 9,015         | 9,191         | 49,609        | 45,609        | 5,352         | 5,992         | 401           | 4,850         |
| School Sponsored                                | 1,663,297     | 1,529,108     | 1,123,581     | 1,213,942     | 1,163,490     | 1,076,456     | 1,237,231     | 1,188,826     | 1,155,925     | 1,073,294     |
| Support Services:                               |               |               |               |               |               |               |               |               |               |               |
| Tuition   | 3,852,530     | 3,126,967     | 2,292,524     | 3,336,070     | 2,788,805     | 2,665,297     | 2,355,900     | 2,045,704     | 2,097,428     | 1,658,412     |
| Student & Instruction Related Services          | 8,401,417     | 6,540,860     | 5,850,528     | 4,605,544     | 4,388,258     | 3,867,681     | 4,670,664     | 3,980,590     | 3,504,324     | 3,249,067     |
| School Administrative Services                  | 1,936,331     | 1,826,077     | 1,698,848     | 1,664,899     | 1,647,054     | 1,698,804     | 1,715,299     | 1,587,333     | 1,392,634     | 1,464,383     |
| General & Business Administrative Services      | 753,184       | 738,019       | 712,212       | 721,731       | 830,930       | 756,642       | 857,522       | 717,954       | 682,990       | 618,884       |
| Central Office & Technology Services            | 1,281,880     | 1,229,831     | 1,152,151     | 1,131,992     | 1,094,223     | 1,002,334     | 856,912       | 748,669       | 825,133       | 584,884       |
| Plant Operations & Maintenance                  | 4,727,981     | 4,515,969     | 4,026,537     | 3,894,938     | 3,638,924     | 3,474,201     | 3,840,177     | 3,790,087     | 3,137,022     | 3,171,687     |
| Pupil Transportation                            | 7,570,991     | 6,152,826     | 4,815,052     | 5,139,675     | 4,965,163     | 4,602,728     | 4,564,605     | 3,702,236     | 3,156,947     | 3,112,014     |
| Allocated Benefits                              | -             | -             | -             | -             | -             | -             | -             | -             | -             | -             |
| On Behalf TPAP Pension and Social               | 5,390,397     | 6,918,817     | 11,180,310    | 7,669,931     | 9,855,809     | 13,142,094    | -             | -             | -             | -             |
| Transfer to Charter School                      | 63,053        | 78,550        | 76,413        | 83,215        | 0             | 3,720         | -             | -             | -             | -             |
| Interest on Long-Term Debt                      | 239,543       | 430,960       | 695,713       | 1,122,913     | 1,257,464     | 1,317,904     | 1,578,718     | 1,838,789     | 1,715,834     | 1,448,736     |
| Unallocated Depreciation                        | 1,595,906     | 1,632,925     | 1,681,705     | 1,895,010     | 1,912,414     | 1,980,299     | 1,670,349     | 1,880,234     | 1,679,247     | 1,904,135     |
| Capital Asset Adjustment                        | -             | -             | -             | -             | -             | -             | -             | -             | -             | -             |
| Amortization of Debt Issuance Costs             | -             | -             | -             | -             | -             | -             | -             | -             | -             | -             |
| Unallocated Compensated Absence                 | -             | -             | -             | -             | -             | -             | 231,294       | 417,609       | (94,013)      | 265,952       |
| Total Governmental Activities Expenses          | 59,877,566    | 56,430,579    | 55,708,021    | 51,093,425    | 51,411,375    | 51,692,190    | 42,018,809    | 37,757,592    | 34,300,648    | 33,003,413    |
| Business-Type Activities:                       |               |               |               |               |               |               |               |               |               |               |
| Community Education Program                     | 222,227       | 36,476        | 6,856         | 535,781       | 200,567       | 169,482       | 42,755        | 13,266        | 16,409        | 13,832        |
| Food Service                                    | 1,424,679     | 1,281,778     | 687,462       | 1,112,474     | 1,307,707     | 1,301,292     | 1,208,748     | 1,155,055     | 1,046,087     | 1,042,778     |
| Total Business-Type Activities Expense          | 1,646,906     | 1,318,254     | 694,318       | 1,648,255     | 1,508,274     | 1,470,774     | 1,251,503     | 1,168,321     | 1,062,496     | 1,056,610     |
| Total District Expenses                         | \$ 61,524,472 | \$ 57,748,833 | \$ 56,402,339 | \$ 52,741,680 | \$ 52,919,649 | \$ 53,162,964 | \$ 43,270,312 | \$ 38,925,913 | \$ 35,363,144 | \$ 34,060,023 |
| Program Revenues:                               |               |               |               |               |               |               |               |               |               |               |
| Governmental Activities:                        |               |               |               |               |               |               |               |               |               |               |
| Charges for Services:                           |               |               |               |               |               |               |               |               |               |               |
| Pupil Transportation                            | 2,749,728     | 2,145,291     | 2,164,086     | 2,202,388     | 2,258,461     | 2,259,712     | 1,961,651     | 1,742,380     | 1,165,354     | 1,104,912     |
| Operating Grants & Contributions                | 8,201,643     | 10,155,868    | 12,360,285    | 7,004,248     | 9,930,074     | 12,753,880    | 5,315,795     | 456,633       | 436,803       | 449,711       |
| Capital Grants & Contributions                  | -             | -             | -             | -             | -             | -             | -             | -             | -             | -             |
| Total Governmental Activities Program Revenues  | 10,951,371    | 12,301,159    | 14,524,371    | 9,206,636     | 12,188,535    | 15,013,592    | 7,277,446     | 2,199,013     | 1,602,157     | 1,554,623     |
| Business-Type Activities:                       |               |               |               |               |               |               |               |               |               |               |
| Charges for Services:                           |               |               |               |               |               |               |               |               |               |               |
| Community Education Program                     | 324,440       | 167,631       | 7,055         | 20,455        | 294,655       | 266,865       | 93,098        | 30,026.00     | 28,854.00     | 26,378.00     |
| Food Service                                    | 1,005,056     | 431,020       | 82,328        | 673,597       | 1,037,035     | 1,081,096     | 965,864       | 962,521       | 842,295       | 837,864       |
| Technology Services                             | -             | -             | -             | -             | -             | -             | -             | -             | -             | -             |
| Operating Grants & Contributions                | 460,020       | 1,531,806     | 861,404       | 240,790       | 284,969       | 299,342       | 257,626       | 291,482       | 255,493       | 230,539       |
| Total Business-Type Activities Program Revenues | 1,789,516     | 2,130,457     | 950,787       | 934,842       | 1,616,659     | 1,647,303     | 1,316,588     | 1,284,029     | 1,126,642     | 1,111,303     |
| Total District Program Revenues                 | \$ 12,740,887 | \$ 14,431,616 | \$ 15,475,158 | \$ 10,141,478 | \$ 13,805,194 | \$ 16,660,895 | \$ 8,594,034  | \$ 3,483,042  | \$ 2,728,799  | \$ 2,665,926  |



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

|   | 2023                   | 2022                   | 2021                   | 2020                   | 2019                   | 2018                   | 2017                   | 2016                   | 2015                   | 2014                   |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| FISCAL YEAR ENDING JUNE 30.                       |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Net (Expense)/Revenue:                            |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Governmental Activities                           | \$ (48,926,195)        | \$ (44,129,420)        | \$ (41,183,650)        | \$ (41,886,789)        | \$ (39,222,840)        | \$ (36,678,598)        | \$ (34,741,363)        | \$ (35,558,579)        | \$ (32,698,491)        | \$ (31,448,790)        |
| Business-Type Activities                          | 142,610                | 812,203                | 256,469                | (713,413)              | 108,385                | 176,529                | 65,085                 | 115,708                | 64,146                 | 54,693                 |
| <b>Total District-Wide Net Expense</b>            | <b>\$ (48,783,585)</b> | <b>\$ (43,317,217)</b> | <b>\$ (40,927,181)</b> | <b>\$ (42,600,202)</b> | <b>\$ (39,114,455)</b> | <b>\$ (36,502,069)</b> | <b>\$ (34,676,278)</b> | <b>\$ (35,442,871)</b> | <b>\$ (32,634,345)</b> | <b>\$ (31,394,097)</b> |
| General Revenues & Other Changes in Net Position: |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Governmental Activities:                          |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Property Taxes Levied for General Purposes, Net   | \$ 23,961,044          | \$ 23,491,220          | \$ 23,030,609          | \$ 22,263,737          | \$ 21,597,640          | \$ 20,630,552          | \$ 18,400,237          | \$ 17,431,770          | \$ 17,089,971          | \$ 16,323,659          |
| Taxes Levied for Debt Service                     | 2,744,191              | 2,304,528              | 2,171,632              | 2,151,832              | 2,839,575              | 2,896,054              | 3,024,851              | 3,039,318              | 3,108,239              | 1,888,351              |
| Unrestricted Grants & Contributions               | 20,671,418             | 17,403,754             | 13,858,473             | 13,035,628             | 11,804,253             | 9,770,230              | 9,970,427              | 11,491,582             | 11,779,848             | 18,533,839             |
| Federal & State Aid Restricted                    | 520,736                | 546,376                | 526,965                | 481,081                | 500,492                | 522,864                | -                      | -                      | -                      | -                      |
| Tuition Received                                  | 3,039,443              | 2,911,431              | 3,097,863              | 2,591,361              | 2,476,547              | 2,677,133              | 3,341,849              | 3,360,599              | 2,855,074              | 2,798,202              |
| Rents and Royalties                               | 71,338                 | 56,088                 | 1,225                  | 39,846                 | 79,120                 | 81,636                 | 77,121                 | -                      | -                      | -                      |
| Investment Earnings                               | 801                    | 1,943                  | -                      | 17,001                 | 23,011                 | 5,726                  | 6,623                  | 7,098                  | 11,659                 | -                      |
| Miscellaneous Income                              | 1,555,741              | 1,702,530              | 1,010,799              | 614,319                | 461,158                | 327,081                | 227,960                | 350,533                | 319,044                | 379,629                |
| Transportation Fees from Other LEAs Within State  | 523                    | -                      | -                      | 579                    | 1,983                  | 1,534                  | -                      | -                      | -                      | 57,034                 |
| Transfers   | -                      | -                      | -                      | -                      | -                      | -                      | -                      | -                      | -                      | -                      |
| Cancellation of Account Receivables/ Payables     | -                      | -                      | -                      | -                      | -                      | -                      | -                      | -                      | -                      | -                      |
| Net (Increase)/Decrease in Compensated Absences   | -                      | -                      | -                      | -                      | -                      | -                      | -                      | 14,956                 | (583)                  | -                      |
| Net (Increase)/Decrease in Capital Assets         | -                      | -                      | -                      | -                      | -                      | -                      | -                      | -                      | -                      | -                      |
| <b>Total Governmental Activities</b>              | <b>\$ 52,565,235</b>   | <b>\$ 48,417,870</b>   | <b>\$ 43,697,566</b>   | <b>\$ 41,195,384</b>   | <b>\$ 39,783,779</b>   | <b>\$ 36,912,810</b>   | <b>\$ 35,049,068</b>   | <b>\$ 35,695,856</b>   | <b>\$ 35,163,252</b>   | <b>\$ 39,980,714</b>   |
| Business-Type Activities:                         |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Investment Earnings                               | 5,456                  | 19                     | -                      | 20                     | -                      | 50                     | 1,386                  | 948                    | 1,627                  | 1,383                  |
| Transfers   | -                      | -                      | -                      | -                      | -                      | -                      | -                      | -                      | -                      | -                      |
| Net (Increase)/Decrease in Capital Assets         | -                      | -                      | -                      | -                      | -                      | -                      | -                      | 4,389                  | -                      | -                      |
| Net (Increase)/Decrease in Compensated Absences   | -                      | -                      | -                      | -                      | -                      | -                      | (5,334)                | (6,090)                | (22,872)               | (248)                  |
| <b>Total Business-Type Activities</b>             | <b>\$ 5,456</b>        | <b>\$ 19</b>           | <b>\$ 20</b>           | <b>\$ 20</b>           | <b>\$ 50</b>           | <b>\$ 50</b>           | <b>\$ (3,948)</b>      | <b>\$ (753)</b>        | <b>\$ (21,245)</b>     | <b>\$ 1,135</b>        |
| <b>Total District-Wide</b>                        | <b>\$ 52,570,691</b>   | <b>\$ 48,417,889</b>   | <b>\$ 43,697,566</b>   | <b>\$ 41,195,404</b>   | <b>\$ 39,783,779</b>   | <b>\$ 36,912,860</b>   | <b>\$ 35,045,120</b>   | <b>\$ 35,695,103</b>   | <b>\$ 35,142,007</b>   | <b>\$ 39,981,849</b>   |
| Change in Net Position:                           |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Governmental Activities                           | \$ 3,639,040           | \$ 4,288,450           | \$ 2,513,916           | \$ (691,405)           | \$ 560,939             | \$ 234,212             | \$ 307,705             | \$ 137,277             | \$ 2,464,761           | \$ 8,531,924           |
| Business-Type Activities                          | 148,066                | 812,222                | 256,469                | (713,393)              | 108,385                | 176,579                | 61,137                 | 114,955                | 42,901                 | 55,828                 |
| <b>Total District</b>                             | <b>\$ 3,787,106</b>    | <b>\$ 5,100,672</b>    | <b>\$ 2,770,385</b>    | <b>\$ (1,404,798)</b>  | <b>\$ 669,324</b>      | <b>\$ 410,791</b>      | <b>\$ 368,842</b>      | <b>\$ 252,232</b>      | <b>\$ 2,507,662</b>    | <b>\$ 8,587,752</b>    |

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

|   | FISCAL YEAR ENDING JUNE 30, |                     |                     |                     |                     |                     |                     |                     |                     |                      |
|---|-----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
|   | 2023                        | 2022                | 2021                | 2020                | 2019                | 2018                | 2017                | 2016                | 2015                | 2014                 |
| <b>General Fund:</b>                      |                             |                     |                     |                     |                     |                     |                     |                     |                     |                      |
| Restricted                                | \$ 2,361,657                | \$ 3,908,877        | \$ 3,967,121        | \$ 2,492,467        | \$ 3,353,226        | \$ 3,650,649        | \$ 3,552,629        | \$ 3,873,976        | \$ 4,406,076        | \$ 3,584,379         |
| Assigned                                  | 232,781                     | -                   | 74,037              | 58,884              | -                   | -                   | 87,149              | 87,149              | 319,627             | -                    |
| Committed                                 | 107,233                     | 613,422             | 294,921             | 164,676             | 254,820             | 185,393             | -                   | -                   | -                   | -                    |
| Unassigned                                | (346,111)                   | (360,915)           | (765,482)           | (278,836)           | (65,869)            | (53,132)            | -                   | -                   | -                   | -                    |
| <b>Total General Fund</b>                 | <b>\$ 2,355,560</b>         | <b>\$ 4,161,384</b> | <b>\$ 3,570,597</b> | <b>\$ 2,437,191</b> | <b>\$ 3,542,177</b> | <b>\$ 3,782,910</b> | <b>\$ 3,639,778</b> | <b>\$ 3,961,125</b> | <b>\$ 4,725,703</b> | <b>\$ 3,584,379</b>  |
| <b>All Other Governmental Funds:</b>      |                             |                     |                     |                     |                     |                     |                     |                     |                     |                      |
| Restricted                                | \$ 430,419                  | \$ (2,067,551)      | \$ 983,170          | \$ 926,439          | \$ 2,032,617        | \$ 2,137,781        | \$ 2,392,330        | \$ 2,513,829        | \$ 3,777,425        | \$ 25,422,409        |
| Committed                                 | 79,287                      | 2,303,487           | 92,618              | 420,088             | -                   | -                   | 0                   | 131,008             | 4,424,528.00        | -                    |
| Unassigned, Reported in:                  |                             |                     |                     |                     |                     |                     |                     |                     |                     |                      |
| Capital Projects Fund                     | -                           | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                    |
| Debt Service Fund                         | -                           | 65,531              | 65,533              | 395                 | 4,203               | -                   | 111,017             | 47,162              | 47,162              | -                    |
| <b>Total All Other Governmental Funds</b> | <b>\$ 509,706</b>           | <b>\$ 301,467</b>   | <b>\$ 1,141,321</b> | <b>\$ 1,346,922</b> | <b>\$ 2,036,820</b> | <b>\$ 2,137,781</b> | <b>\$ 2,503,347</b> | <b>\$ 2,691,999</b> | <b>\$ 8,249,115</b> | <b>\$ 25,422,409</b> |

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

|  | 2023              | 2022              | 2021              | 2020              | 2019              | 2018              | 2017              | 2016              | 2015              | 2014              |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Revenues:</b>   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Taxes Local  | \$ 26,705,235     | \$ 25,795,748     | \$ 25,202,241     | \$ 24,415,569     | \$ 24,437,215     | \$ 23,526,606     | \$ 21,425,088     | \$ 20,471,088     | \$ 20,198,210     | \$ 18,212,010     |
| Tuition Charges  | 3,039,443         | 2,911,431         | 3,097,863         | 2,591,361         | 2,476,547         | 2,677,133         | 3,341,849         | 3,360,599         | 2,855,074         | 2,798,202         |
| Transportation   | 71,861            | 56,088            | 1,225             | 40,425            | 81,103            | 83,170            | 77,121            | -                 | -                 | 57,034            |
| Miscellaneous  | 1,556,542         | 1,704,473         | 1,010,799         | 281,320           | 484,169           | 332,807           | 234,583           | 357,631           | 330,703           | 379,629           |
| Local Sources  | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 |
| State Sources  | 30,135,179        | 26,518,337        | 20,965,184        | 18,571,038        | 17,132,168        | 14,533,269        | 12,127,546        | 11,494,211        | 11,785,650        | 18,254,364        |
| Federal Sources  | 1,505,596         | 1,534,562         | 1,071,872         | 637,429           | 648,235           | 602,026           | 547,794           | 454,004           | 431,001           | 729,186           |
| <b>Total Revenue</b>                                     | <b>63,013,856</b> | <b>58,520,639</b> | <b>51,349,184</b> | <b>46,537,142</b> | <b>45,259,437</b> | <b>41,755,011</b> | <b>37,753,981</b> | <b>36,137,533</b> | <b>35,600,638</b> | <b>40,430,425</b> |
| <b>Expenditures:</b>                                     |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| <b>Instruction:</b>                                      |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Regular Instruction                                      | 14,480,829        | 13,813,073        | 12,180,965        | 11,487,722        | 11,033,587        | 9,860,048         | 9,187,438         | 8,764,411         | 8,277,245         | 7,735,128         |
| Special Education Instruction                            | 3,206,176         | 3,572,611         | 4,085,815         | 3,049,712         | 2,783,306         | 2,468,656         | 2,417,631         | 2,418,182         | 2,083,582         | 2,220,282         |
| Other Instructional                                      | 91,278            | 3,215             | 9,015             | 9,191             | 49,609            | 45,609            | 5,352             | 5,992             | 401               | 4,850             |
| School Sponsored   | 1,554,070         | 1,427,016         | 1,026,076         | 1,117,848         | 1,068,922         | 988,330           | 1,075,858         | 1,078,460         | 1,047,621         | 970,645           |
| Support Services:  |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Tuition  | 3,852,530         | 3,126,967         | 2,292,524         | 3,336,070         | 2,788,805         | 2,665,297         | 2,355,900         | 2,045,704         | 2,097,428         | 1,658,412         |
| Student & Instruction Related Services                   | 7,130,699         | 5,353,158         | 4,716,185         | 3,487,614         | 3,288,088         | 282,449           | 2,793,298         | 2,696,623         | 2,244,352         | 2,054,879         |
| School Administrative Services                           | 1,808,250         | 1,706,364         | 1,584,513         | 1,552,218         | 1,536,163         | 1,595,467         | 1,526,072         | 1,457,917         | 1,265,636         | 1,344,016         |
| General & Business Administration Services               | 1,784,433         | 1,721,606         | 1,483,359         | 1,428,907         | 1,519,867         | 1,294,450         | 1,375,899         | 1,186,763         | 1,282,660         | 1,098,703         |
| Plant Operations & Maintenance                           | 3,985,877         | 3,822,347         | 3,302,277         | 3,180,263         | 2,936,420         | 2,815,462         | 2,697,816         | 2,893,133         | 2,400,574         | 2,474,277         |
| Pupil Transportation                                     | 4,860,118         | 4,008,572         | 2,776,567         | 3,164,983         | 3,030,913         | 2,689,692         | 2,694,444         | 2,269,025         | 2,058,100         | 1,865,474         |
| Allocated Benefits                                       | -                 | -                 | -                 | -                 | -                 | -                 | 5,145,365         | 4,891,551         | 4,037,238         | 4,489,690         |
| Unallocated Benefits                                     | 7,135,405         | 6,669,253         | 6,369,625         | 6,277,460         | 6,177,743         | 5,756,942         | 2,627,894         | 2,318,258         | 3,037,827         | 2,215,982         |
| On Behalf TPAF Pension and Social Security Contributions | 8,833,607         | 8,549,940         | 6,595,880         | 5,061,389         | 4,840,198         | 4,259,462         | -                 | -                 | -                 | -                 |

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

|  | 2023           | 2022         | 2021         | 2020           | 2019         | 2018         | 2017         | 2016           | 2015            | 2014          |
|--|----------------|--------------|--------------|----------------|--------------|--------------|--------------|----------------|-----------------|---------------|
| Expenditures (continued):                                    |                |              |              |                |              |              |              |                |                 |               |
| Capital outlay   | 3,829,015      | 1,391,526    | 796,826      | 3,538,996      | 1,342,528    | 706,935      | 883,562      | 7,003,439      | 18,356,424      | 6,160,542     |
| Debt service:  |                |              |              |                |              |              |              |                |                 |               |
| Principal  | 2,615,000      | 2,625,000    | 2,555,000    | 2,225,000      | 2,230,000    | 2,145,000    | 2,095,000    | 1,930,000      | 2,018,600       | 1,310,000     |
| Interest & Other Charges                                     | 832,195        | 900,654      | 1,102,634    | 1,253,458      | 1,328,158    | 1,392,558    | 1,575,033    | 1,662,163      | 1,695,165       | 1,214,657     |
| Total Expenditures   | 65,999,482     | 58,691,302   | 50,877,261   | 50,170,831     | 45,954,307   | 38,966,357   | 38,456,562   | 42,621,621     | 51,902,853      | 36,817,537    |
| Excess (Deficiency) of Revenues<br>Over/(Under) Expenditures | (2,985,626)    | (170,663)    | 471,923      | (3,633,689)    | (694,870)    | 2,788,654    | (702,581)    | (6,484,088)    | (16,302,215)    | 3,612,888     |
| Other Financing Sources/(Uses):                              |                |              |              |                |              |              |              |                |                 |               |
| Bond Proceeds  | -              | -            | -            | -              | -            | -            | -            | -              | -               | 22,659,000    |
| Bond Anticipation Note                                       | -              | -            | -            | -              | -            | -            | -            | -              | -               | 146,000       |
| Capital Leases   | -              | -            | -            | -              | -            | -            | -            | -              | -               | -             |
| (Nonbudgeted)  | 1,035,000      | -            | -            | -              | -            | -            | -            | -              | -               | -             |
| Subscription Proceeds  | 365,368        | -            | (16,476,286) | 1,600,000      | 266,980      | -            | (9,638,664)  | 14,956         | 15,550          | -             |
| Proceeds Refunding Bond                                      | -              | -            | 16,625,000   | -              | -            | -            | 9,736,442    | -              | (16,133)        | -             |
| Transfers to Charter School                                  | (63,053)       | (78,550)     | (76,413)     | (83,215)       | -            | (3,720)      | -            | -              | -               | -             |
| Transfers in   | 2,650,726      | 558,157      | 1,628,368    | 2,986,980      | 86,196       | 33,940       | 94,804       | 147,438        | 151,392         | -             |
| Transfers Out  | (2,600,000)    | (558,011)    | (1,711,241)  | (2,664,960)    | -            | -            | -            | -              | (34,164)        | -             |
| Total Other Financing Sources/<br>(Uses)                     | 1,388,041      | (78,404)     | (10,572)     | 1,838,805      | 353,176      | 30,220       | 192,582      | 162,394        | 270,245         | 22,805,000    |
| Net Change in Fund Balances                                  | \$ (1,597,585) | \$ (249,067) | \$ 461,351   | \$ (1,794,884) | \$ (341,694) | \$ 2,818,874 | \$ (509,999) | \$ (6,321,694) | \$ (16,031,970) | \$ 26,417,888 |
| Debt Service as a Percentage of<br>Noncapital Expenditures   | 5.54%          | 6.15%        | 7.30%        | 7.46%          | 7.98%        | 9.25%        | 9.77%        | 10.09%         | 11.07%          | 8.24%         |

Source: District Records

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

| FISCAL YEAR ENDING JUNE 30, | FACILITY USAGE | INTEREST ON INVESTMENTS | PRIOR YEAR REFUNDS | SPORTING EVENTS GATE RECEIPTS | STUDENT PARTICIPATION FEES | MISCELLANEOUS | TOTAL      |
|-----------------------------|----------------|-------------------------|--------------------|-------------------------------|----------------------------|---------------|------------|
| 2023                        | \$ 71,338      | \$ 801                  | \$ 123,922         | \$ 23,365                     | \$ 157,142                 | \$ 131,473    | \$ 508,041 |
| 2022                        | 56,088         | 1,943                   | 135,063            | 19,506                        | 135,735                    | 285,997       | 285,997    |
| 2021                        | -              | 17,001                  | 18,986             | 18,511                        | 75,875                     | 132,647       | 263,020    |
| 2020                        | -              | 23,011                  | 89,682             | 16,414                        | 115,743                    | 171,365       | 416,215    |
| 2019                        | -              | 5,726                   | 26,160             | 19,098                        | 122,090                    | 93,767        | 266,841    |
| 2018                        | -              | 6,623                   | 10,573             | 17,317                        | 92,475                     | 69,320        | 196,308    |
| 2017                        | 62,796         | 7,098                   | 31,576             | 23,068                        | 96,327                     | 120,058       | 340,923    |
| 2016                        | 43,806         | 11,659                  | 16,693             | 17,611                        | 123,000                    | 55,399        | 268,168    |
| 2015                        | 61,587         | 19,349                  | 55,902             | 19,521                        | 122,680                    | 92,333        | 371,372    |
| 2014                        | 58,476         | 39,178                  | 3,747              | 24,849                        | -                          | 182,349       | 308,599    |

Source: District records

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

| FISCAL YEAR ENDED JUNE 30,     | VACANT LAND   | RESIDENTIAL      | FARM REG.     | QFARM        | COMMERCIAL    | INDUSTRIAL    | APARTMENT    | TOTAL ASSESSED VALUE | PUBLIC UTILITIES | NET TAXABLE VALUATION | TOTAL DIRECT SCHOOL TAX RATE | ACTUAL (COUNTY EQUALIZED) VALUE |
|--------------------------------|---------------|------------------|---------------|--------------|---------------|---------------|--------------|----------------------|------------------|-----------------------|------------------------------|---------------------------------|
| <b>East Greenwich Township</b> |               |                  |               |              |               |               |              |                      |                  |                       |                              |                                 |
| 2023                           | \$ 22,920,900 | \$ 1,149,414,400 | \$ 21,750,000 | \$ 1,933,500 | \$ 38,835,300 | \$ 37,795,400 | \$ 1,299,000 | \$ 1,273,948,500     | \$ -             | \$ 1,273,948,500      | 1.979                        | \$ 1,572,147,284                |
| 2022                           | 27,366,100    | 1,123,779,000    | 22,373,900    | 1,879,100    | 39,189,700    | 36,005,700    | 1,299,000    | 1,251,892,500        | -                | 1,251,892,500         | 1.911                        | 1,352,529,989                   |
| 2021                           | 31,792,100    | 1,099,269,000    | 22,182,500    | 1,828,700    | 38,725,600    | 34,705,700    | 1,299,000    | 1,229,802,600        | -                | 1,229,802,600         | 1.914                        | 1,311,929,379                   |
| 2020                           | 28,945,100    | 1,089,408,000    | 21,754,400    | 1,948,300    | 34,053,600    | 33,646,200    | 1,299,000    | 1,211,054,600        | -                | 1,211,054,600         | 1.926                        | 1,226,508,608                   |
| 2019                           | 29,782,900    | 1,073,090,800    | 21,944,700    | 2,361,100    | 34,325,600    | 33,010,200    | 1,299,000    | 1,195,814,300        | -                | 1,195,814,300         | 1.915                        | 1,203,537,787                   |
| 2018                           | 19,078,000    | 971,172,300      | 19,125,000    | 2,518,100    | 42,848,500    | 17,797,000    | 1,613,800    | 1,074,152,700        | -                | 1,074,152,700         | 2.118                        | 1,180,344,291                   |
| 2017                           | 17,116,700    | 964,291,200      | 19,236,700    | 2,586,400    | 45,205,600    | 18,189,300    | 1,624,400    | 1,068,250,300        | -                | 1,068,250,300         | 2.106                        | 1,146,443,025                   |
| 2016                           | 15,568,800    | 954,674,000      | 20,887,100    | 2,651,300    | 48,924,400    | 16,188,500    | 1,624,400    | 1,060,518,500        | -                | 1,060,518,500         | 2.068                        | 1,122,656,649                   |
| 2015                           | 15,699,700    | 941,124,600      | 21,611,800    | 2,710,000    | 49,351,600    | 16,146,300    | 1,916,500    | 1,049,841,385        | 1,280,885        | 1,049,841,385         | 1.968                        | 1,079,213,265                   |
| 2014                           | 14,104,900    | 924,528,700      | 23,001,600    | 2,712,700    | 54,274,600    | 16,459,200    | 1,916,500    | 1,038,264,342        | 1,266,142        | 1,038,264,342         | 1.876                        | 1,079,797,686                   |
| <b>South Harrison Township</b> |               |                  |               |              |               |               |              |                      |                  |                       |                              |                                 |
| 2023                           | 5,195,000     | 326,291,900      | 35,761,400    | 3,357,000    | 26,926,500    | 4,008,800     | -            | 401,540,600          | -                | 401,540,600           | 1.946                        | 533,731,869                     |
| 2022                           | 5,727,400     | 323,012,800      | 37,025,500    | 3,205,500    | 26,895,700    | -             | -            | 395,866,900          | -                | 395,866,900           | 1.889                        | 460,651,545                     |
| 2021                           | 6,995,800     | 318,576,400      | 38,673,100    | 3,233,900    | 22,808,600    | -             | -            | 390,287,800          | -                | 390,287,800           | 1.870                        | 453,401,255                     |
| 2020                           | 6,995,800     | 318,695,700      | 38,673,100    | 3,309,600    | 22,808,600    | -             | -            | 390,482,800          | -                | 390,482,800           | 1.875                        | 418,141,680                     |
| 2019                           | 6,872,800     | 314,873,200      | 36,930,800    | 3,410,700    | 23,285,900    | -             | -            | 385,373,400          | -                | 385,373,400           | 1.924                        | 412,248,745                     |
| 2018                           | 8,340,500     | 311,210,300      | 37,978,900    | 3,488,800    | 22,367,200    | -             | -            | 383,385,700          | -                | 383,385,700           | 1.903                        | 400,823,012                     |
| 2017                           | 8,491,800     | 307,969,300      | 36,090,400    | 3,574,900    | 22,841,600    | -             | -            | 378,968,000          | 486,625          | 379,454,625           | 1.881                        | 395,876,647                     |
| 2016                           | 9,079,300     | 308,531,100      | 34,355,900    | 3,630,200    | 22,221,400    | -             | -            | 377,817,900          | 506,452          | 378,324,352           | 1.879                        | 391,019,959                     |
| 2015                           | 10,430,500    | 301,016,100      | 34,823,300    | 3,680,300    | 21,933,100    | -             | -            | 371,883,300          | 501,225          | 372,384,525           | 1.880                        | 389,734,776                     |
| 2014                           | 8,852,800     | 299,016,400      | 34,566,600    | 3,695,400    | 21,437,300    | -             | -            | 367,568,500          | 521,058          | 368,089,558           | 1.850                        | 365,487,580                     |
| <b>Borough of Swedesboro</b>   |               |                  |               |              |               |               |              |                      |                  |                       |                              |                                 |
| 2023                           | 1,208,000     | 137,146,500      | -             | 11,900       | 29,051,700    | 3,203,800     | 2,881,000    | 173,502,900          | -                | 173,502,900           | 2.277                        | 226,018,533                     |
| 2022                           | 1,231,300     | 136,484,900      | -             | 11,700       | 29,568,700    | 3,203,800     | 2,330,700    | 172,831,100          | -                | 172,831,100           | 2.296                        | 201,810,287                     |
| 2021                           | 1,229,700     | 135,553,500      | -             | 10,600       | 28,742,000    | 3,203,800     | 2,330,700    | 171,070,300          | -                | 171,070,300           | 2.308                        | 197,517,954                     |
| 2020                           | 1,195,200     | 135,437,800      | -             | 11,800       | 29,918,300    | 3,273,800     | 2,330,700    | 172,167,600          | -                | 172,167,600           | 2.208                        | 188,656,147                     |
| 2019                           | 1,251,300     | 136,121,800      | -             | 14,400       | 30,095,400    | 3,273,800     | 2,330,700    | 173,087,400          | -                | 173,087,400           | 2.204                        | 177,645,685                     |
| 2018                           | 1,121,900     | 136,004,700      | -             | 14,400       | 30,111,400    | 3,273,800     | 2,330,700    | 172,856,900          | -                | 172,856,900           | 2.282                        | 177,824,185                     |
| 2017                           | 1,200,000     | 135,946,700      | -             | 25,300       | 29,555,400    | 3,273,800     | 2,330,700    | 172,331,900          | -                | 172,331,900           | 2.296                        | 176,570,879                     |
| 2016                           | 1,225,500     | 136,021,000      | -             | 25,300       | 29,592,200    | 3,273,800     | 2,330,700    | 172,468,500          | -                | 172,468,500           | 3.303                        | 178,468,138                     |
| 2015                           | 1,311,500     | 135,524,200      | -             | 25,300       | 30,020,200    | 3,273,800     | 2,749,500    | 172,704,500          | 1,774,301        | 174,478,801           | 2.259                        | 176,331,228                     |
| 2014                           | 1,516,500     | 146,211,800      | -             | 25,300       | 34,204,500    | 1,663,900     | 1,122,400    | 184,744,400          | 1,703,659        | 186,448,059           | 2.191                        | 181,333,040                     |
| <b>Woolwich Township</b>       |               |                  |               |              |               |               |              |                      |                  |                       |                              |                                 |
| 2023                           | 36,730,700    | 1,233,151,700    | 19,272,200    | 3,652,300    | 67,564,800    | 49,593,310    | 50,161,000   | 1,460,126,010        | -                | 1,460,126,010         | 2.013                        | 1,737,483,979                   |
| 2022                           | 24,429,200    | 1,200,763,900    | 19,460,800    | 7,493,900    | 68,354,900    | 49,593,310    | 50,161,000   | 1,420,257,010        | -                | 1,420,257,010         | 2.053                        | 1,536,693,167                   |
| 2021                           | 21,642,700    | 1,158,315,500    | 18,974,200    | 3,579,600    | 68,030,900    | 50,195,510    | 50,161,000   | 1,370,899,410        | -                | 1,370,899,410         | 2.104                        | 1,481,572,906                   |
| 2020                           | 17,696,100    | 1,137,261,000    | 19,438,700    | 3,711,300    | 69,097,900    | 50,195,510    | 50,161,000   | 1,347,561,510        | -                | 1,347,561,510         | 2.126                        | 1,382,965,425                   |
| 2019                           | 17,838,800    | 996,881,400      | 18,108,900    | 3,879,800    | 65,095,600    | 41,306,910    | 32,501,500   | 1,175,212,910        | -                | 1,175,212,910         | 2.315                        | 1,342,106,327                   |
| 2018                           | 19,193,100    | 981,055,700      | 18,242,300    | 4,203,200    | 53,839,700    | 41,306,910    | 32,501,500   | 1,150,342,410        | -                | 1,150,342,410         | 2.355                        | 1,276,383,568                   |
| 2017                           | 15,861,400    | 966,313,300      | 18,471,800    | 4,235,100    | 52,004,500    | 42,292,600    | 32,501,500   | 1,131,680,200        | 1,719,044        | 1,133,399,244         | 2.326                        | 1,234,884,068                   |
| 2016                           | 13,795,200    | 956,623,700      | 19,670,300    | 4,242,400    | 51,386,700    | 42,884,800    | 32,801,500   | 1,121,404,600        | 1,810,647        | 1,123,215,247         | 2.306                        | 1,193,338,953                   |
| 2015                           | 13,276,400    | 943,474,000      | 20,072,500    | 4,317,800    | 50,503,300    | 43,425,600    | 21,054,900   | 1,096,124,500        | 1,870,892        | 1,097,995,392         | 2.256                        | 1,163,596,438                   |
| 2014                           | 17,421,300    | 923,944,400      | 18,481,400    | 4,344,600    | 51,771,100    | 44,073,200    | 22,229,800   | 1,082,265,800        | 1,901,162        | 1,084,166,962         | 2.188                        | 1,110,614,108                   |

Source: County Abstract of Rates

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

| FISCAL YEAR<br>ENDED<br>JUNE 30, | SCHOOL DISTRICT DIRECT RATE |                    |                 | OVERLAPPING RATES |                      |                   |                         | TOTAL<br>DIRECT &<br>OVERLAPPING<br>TAX RATE |
|----------------------------------|-----------------------------|--------------------|-----------------|-------------------|----------------------|-------------------|-------------------------|--|
|                                  | LOCAL<br>SCHOOL             | REGIONAL<br>SCHOOL | TOTAL<br>DIRECT | MUNICIPALITY      | GLOUCESTER<br>COUNTY | COUNTY<br>LIBRARY | COUNTY<br>OPEN<br>SPACE |  |
| <b>East Greenwich Township</b>   |                             |                    |                 |                   |                      |                   |                         |  |
| 2023                             | 1.187                       | 0.792              | 1.979           | 0.351             | 0.661                | 0.046             | 0.041                   | 3.078  |
| 2022                             | 1.169                       | 0.742              | 1.911           | 0.345             | 0.651                | 0.045             | 0.039                   | 2.991  |
| 2021                             | 1.189                       | 0.725              | 1.914           | 0.320             | 0.664                | 0.046             | 0.041                   | 2.985  |
| 2020                             | 1.211                       | 0.715              | 1.926           | 0.343             | 0.668                | 0.047             | 0.041                   | 3.025  |
| 2019                             | 1.201                       | 0.714              | 1.915           | 0.341             | 0.650                | 0.047             | 0.041                   | 2.994  |
| 2018                             | 1.333                       | 0.785              | 2.118           | 0.380             | 0.703                | 0.052             | 0.044                   | 3.297  |
| 2017                             | 1.338                       | 0.768              | 2.106           | 0.382             | 0.672                | 0.051             | 0.043                   | 3.254  |
| 2016                             | 1.301                       | 0.767              | 2.068           | 0.384             | 0.668                | 0.052             | 0.044                   | 3.216  |
| 2015                             | 1.216                       | 0.752              | 1.968           | 0.385             | 0.637                | 0.049             | 0.043                   | 3.082  |
| 2014                             | 1.150                       | 0.726              | 1.876           | 0.327             | 0.600                | 0.047             | 0.042                   | 2.892  |
| <b>South Harrison Township</b>   |                             |                    |                 |                   |                      |                   |                         |  |
| 2023                             | 1.088                       | 0.858              | 1.946           | 0.276             | 0.707                | 0.049             | 0.044                   | 3.022  |
| 2022                             | 1.083                       | 0.806              | 1.889           | 0.268             | 0.701                | 0.048             | 0.042                   | 2.948  |
| 2021                             | 1.082                       | 0.788              | 1.870           | 0.262             | 0.702                | 0.049             | 0.043                   | 2.926  |
| 2020                             | 1.076                       | 0.799              | 1.875           | 0.255             | 0.693                | 0.048             | 0.042                   | 2.913  |
| 2019                             | 1.089                       | 0.835              | 1.924           | 0.247             | 0.690                | 0.049             | 0.043                   | 2.953  |
| 2018                             | 1.039                       | 0.864              | 1.903           | 0.241             | 0.672                | 0.050             | 0.042                   | 2.908  |
| 2017                             | 1.012                       | 0.869              | 1.881           | 0.231             | 0.661                | 0.050             | 0.042                   | 2.865  |
| 2016                             | 1.011                       | 0.868              | 1.879           | 0.210             | 0.653                | 0.051             | 0.043                   | 2.836  |
| 2015                             | 1.012                       | 0.868              | 1.880           | 0.201             | 0.644                | 0.049             | 0.044                   | 2.818  |
| 2014                             | 0.999                       | 0.851              | 1.850           | 0.198             | 0.564                | 0.045             | 0.040                   | 2.697  |
| <b>Borough of Swedesboro</b>     |                             |                    |                 |                   |                      |                   |                         |  |
| 2023                             | 1.197                       | 1.080              | 2.277           | 1.147             | 0.699                | 0.048             | 0.044                   | 4.215  |
| 2022                             | 1.256                       | 1.040              | 2.296           | 1.116             | 0.704                | 0.048             | 0.042                   | 4.206  |
| 2021                             | 1.324                       | 0.984              | 2.308           | 1.090             | 0.717                | 0.050             | 0.044                   | 4.209  |
| 2020                             | 1.318                       | 0.890              | 2.208           | 1.067             | 0.695                | 0.048             | 0.042                   | 4.060  |
| 2019                             | 1.356                       | 0.848              | 2.204           | 1.034             | 0.662                | 0.047             | 0.041                   | 3.988  |
| 2018                             | 1.417                       | 0.865              | 2.282           | 0.995             | 0.659                | 0.049             | 0.042                   | 4.027  |
| 2017                             | 1.408                       | 0.888              | 2.296           | 0.971             | 0.648                | 0.049             | 0.041                   | 4.005  |
| 2016                             | 1.384                       | 0.919              | 2.303           | 0.950             | 0.654                | 0.051             | 0.043                   | 4.001  |
| 2015                             | 1.354                       | 0.905              | 2.259           | 0.918             | 0.620                | 0.047             | 0.042                   | 3.886  |
| 2014                             | 1.324                       | 0.867              | 2.191           | 0.833             | 0.559                | 0.044             | 0.039                   | 3.666  |
| <b>Woolwich Township</b>         |                             |                    |                 |                   |                      |                   |                         |  |
| 2023                             | 1.189                       | 0.824              | 2.013           | 0.579             | 0.625                | 0.043             | 0.039                   | 3.299  |
| 2022                             | 1.212                       | 0.841              | 2.053           | 0.579             | 0.651                | 0.045             | 0.039                   | 3.367  |
| 2021                             | 1.243                       | 0.861              | 2.104           | 0.531             | 0.664                | 0.046             | 0.041                   | 3.386  |
| 2020                             | 1.271                       | 0.855              | 2.126           | 0.561             | 0.658                | 0.046             | 0.040                   | 3.431  |
| 2019                             | 1.364                       | 0.951              | 2.315           | 0.605             | 0.737                | 0.053             | 0.046                   | 3.756  |
| 2018                             | 1.423                       | 0.932              | 2.355           | 0.576             | 0.712                | 0.053             | 0.045                   | 3.741  |
| 2017                             | 1.415                       | 0.911              | 2.326           | 0.557             | 0.689                | 0.052             | 0.044                   | 3.668  |
| 2016                             | 1.423                       | 0.883              | 2.306           | 0.558             | 0.672                | 0.052             | 0.044                   | 3.632  |
| 2015                             | 1.408                       | 0.848              | 2.256           | 0.548             | 0.651                | 0.050             | 0.044                   | 3.549  |
| 2014                             | 1.390                       | 0.798              | 2.188           | 0.506             | 0.590                | 0.047             | 0.041                   | 3.372  |

Source: Gloucester County Abstract of Ratable;

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

|  | 2023                         |   | 2014                         |   |
|--|------------------------------|---|------------------------------|---|
|  | TAXABLE<br>ASSESSED<br>VALUE | % OF TOTAL<br>DISTRICT NET<br>ASSESSED<br>VALUE | TAXABLE<br>ASSESSED<br>VALUE | % OF TOTAL<br>DISTRICT NET<br>ASSESSED<br>VALUE |
| <b>EAST GREENWICH TOWNSHIP</b>                     |                              |   |                              |   |
| TA Operating LLC                                   | \$ 5,680,000                 | 0.58%   |                              |   |
| Columbia Gas Transmission Co                       | 3,517,300                    | 0.47%   |                              |   |
| Storage World of NJ LLC                            | 3,239,000                    | 0.36%   |                              |   |
| Saint Gobain Performance Plastics Co               | 3,000,000                    | 0.30%   |                              |   |
| Transcontinental Gas Pipeline Co                   | 2,351,500                    | 0.29%   |                              |   |
| South Shore Properties LLC                         | 2,336,000                    | 0.28%   |                              |   |
| South Shore Properties LLC                         | 2,336,000                    | 0.25%   |                              |   |
| Berkley Square Urban Renewal Entity                | 2,295,000                    | 0.20%   |                              |   |
| Summer Skye LLC                                    | 2,244,600                    | 0.20%   |                              |   |
| Kampgrounds of America Inc                         | 2,240,400                    | 0.19%   |                              |   |
| Travelers Co of America                            |                              |   | 4,446,000                    | 0.44%   |
| Saint Gobain Performance Plastics Co               |                              |   | 3,815,700                    | 0.37%   |
| Colonial Pipeline Co                               |                              |   | 3,538,200                    | 0.35%   |
| Columbia Gas Transmission Co                       |                              |   | 3,520,500                    | 0.35%   |
| Wilson & Wilson                                    |                              |   | 3,211,100                    | 0.32%   |
| Mt Royal Plaza Real Estate Inc                     |                              |   | 2,587,200                    | 0.25%   |
| Transcontinental Gas Pipeline Co                   |                              |   | 2,351,500                    | 0.23%   |
| Storage World of NJ LLC                            |                              |   | 2,281,000                    | 0.22%   |
| Summer Skye LLC                                    |                              |   | 2,066,700                    | 0.20%   |
| Beazer Homes                                       |                              |   | 1,829,600                    | 0.18%   |
| <b>Total</b>                                       | <b>\$ 37,704,200</b>         | <b>3.11%</b>                                    | <b>\$ 29,647,500</b>         | <b>2.91%</b>                                    |
| <b>SOUTH HARRISON TOWNSHIP</b>                     |                              |   |                              |   |
| South Jersey Gas Co                                | \$ 4,080,800                 | 0.80%   |                              |   |
| Mullica Hill Group Co LLC                          | 3,115,000                    | 0.71%   |                              |   |
| Mullica Hill Group Companies LLC                   | 2,533,600                    | 0.65%   |                              |   |
| American Tower Asset Sub LLC TX Dep<br>Taxpayer #1 | 2,416,900                    | 0.62%   |                              |   |
| Mullica Hill Group Companies LLC                   | 2,258,800                    | 0.56%   |                              |   |
| Mullica Hill Group Companies LLC                   | 2,200,000                    | 0.56%   |                              |   |
| Mullica Hill Group Companies LLC                   | 2,171,000                    | 0.55%   |                              |   |
| South Harrison 500 Associates LLC                  | 2,160,000                    | 0.52%   |                              |   |
| Mullica Hill Group Companies LLC                   | 2,010,500                    | 0.33%   |                              |   |
| Taxpayer #2  | 1,165,700                    | 0.30%   |                              |   |
| Taxpayer #1  |                              |   | 3,580,300                    | 0.88%   |
| C&F Family Limited Partnership                     |                              |   | 3,394,800                    | 0.84%   |
| Taxpayer #2  |                              |   | 3,304,400                    | 0.81%   |
| Taxpayer #3  |                              |   | 2,467,400                    | 0.61%   |
| Taxpayer #4  |                              |   | 2,170,500                    | 0.53%   |
| Robert J. Pacilli Investment Inc                   |                              |   | 2,100,000                    | 0.52%   |
| Taxpayer #5  |                              |   | 1,962,100                    | 0.48%   |
| American Tower Asset Sub LLC TX Dep                |                              |   | 1,897,200                    | 0.47%   |
| Gres & Kaluzny Land Development                    |                              |   | 1,600,200                    | 0.39%   |
| Taxpayer #6  |                              |   | 1,420,600                    | 0.35%   |
| <b>Total</b>                                       | <b>\$ 21,869,400</b>         | <b>5.60%</b>                                    | <b>\$ 23,897,500</b>         | <b>5.89%</b>                                    |

Source: Municipal Tax Assessor



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

| TAXPAYERS                            | 2023                   |  | 2014                   |  |
|--------------------------------------|------------------------|--|------------------------|--|
|                                      | TAXABLE ASSESSED VALUE | % OF TOTAL DISTRICT NET ASSESSED VALUE | TAXABLE ASSESSED VALUE | % OF TOTAL DISTRICT NET ASSESSED VALUE |
| <b>BOROUGH OF SWEDESBORO</b>         |                        |  |                        |  |
| Swedes Development LLC               | \$ 3,789,200           | 2.20%                                  |                        |  |
| D&D Properties of Swedesboro Inc     | 1,626,700              | 1.64%                                  |                        |  |
| Taxpayer #1                          | 1,590,000              | 0.99%                                  |                        |  |
| Botto Sons LLC                       | 1,300,000              | 0.92%                                  |                        |  |
| Swedesboro Housing LTD Partnership   | 1,275,000              | 0.87%                                  |                        |  |
| D&D Properties of Swedesboro Inc     | 1,196,800              | 0.81%                                  |                        |  |
| Racoon Creek LLC                     | 950,000                | 0.76%                                  |                        |  |
| Urbanization Properties LLC          | 761,100                | 0.74%                                  |                        |  |
| R&R Real Estate LLC                  | 731,000                | 0.55%                                  |                        |  |
| East Ocean Kingdom LLC               | 700,000                | 0.41%                                  |                        |  |
| D&D Properties of Swedesboro Inc     |                        |  | 2,988,500              | 1.56%                                  |
| NJ Bell Telephone Co                 |                        |  | 2,354,496              | 1.23%                                  |
| Botto Sons LLC                       |                        |  | 1,948,700              | 1.02%                                  |
| Taxpayer #1                          |                        |  | 1,895,300              | 0.99%                                  |
| Swedesboro Housing LTD Partnership   |                        |  | 1,693,800              | 0.88%                                  |
| Raccoon Creek LLC                    |                        |  | 1,634,800              | 0.85%                                  |
| Russo Rentals                        |                        |  | 1,577,700              | 0.82%                                  |
| Bank of America                      |                        |  | 1,191,600              | 0.62%                                  |
| R&R Real Estate LLC                  |                        |  | 1,044,100              | 0.54%                                  |
| Taxpayer #2                          |                        |  | 974,300                | 0.51%                                  |
| <b>Total</b>                         | <b>\$ 17,034,700</b>   | <b>9.89%</b>                           | <b>\$ 17,303,296</b>   | <b>9.02%</b>                           |
| <b>WOOLWICH TOWNSHIP</b>             |                        |  |                        |  |
| Pond View @ Westbrook LLC            | \$ 28,899,000          | 2.14%                                  |                        |  |
| Westbrook at Weatherby LLC           | 21,262,000             | 1.58%                                  |                        |  |
| Liberty Venture LP C/O Prologis LP   | 10,334,610             | 1.55%                                  |                        |  |
| USF Propco II LLC                    | 8,411,000              | 0.65%                                  |                        |  |
| Liberty Property LP C/O Prologis L   | 8,123,800              | 0.60%                                  |                        |  |
| Columbia Gas C/O Tax Dept            | 7,766,600              | 0.58%                                  |                        |  |
| Liberty Venture LP C/O Prologis LP   | 7,698,100              | 0.47%                                  |                        |  |
| 52 Locke LLC                         | 6,315,000              | 0.42%                                  |                        |  |
| Raab Family Partnership LP           | 5,700,000              | 0.41%                                  |                        |  |
| DP1F3 NJ 5 2062 Woolwich LLC         | 4,136,800              | 0.28%                                  |                        |  |
| Westbrook at Weatherby LLC           |                        |  | \$ 7,701,100           | 1.22%                                  |
| Columbia NJ Commodore Ind            |                        |  | 7,209,600              | 1.14%                                  |
| Columbia Gas Transmissions           |                        |  | 3,913,000              | 0.62%                                  |
| USF Propco LLC                       |                        |  | 3,740,300              | 0.59%                                  |
| JMJ Warehouse Associates             |                        |  | 3,549,400              | 0.56%                                  |
| Pond View @ Westbrook LLC            |                        |  | 3,429,100              | 0.54%                                  |
| Liberty Property Limited Partnership |                        |  | 3,174,700              | 0.50%                                  |
| Auburn Road Associates LLC           |                        |  | 2,063,800              | 0.33%                                  |
| Beazer Homes Corp                    |                        |  | 2,022,800              | 0.32%                                  |
| K Hovnanian @ Woolwich Twp LLC       |                        |  | 1,805,500              | 0.28%                                  |
| <b>Total</b>                         | <b>\$ 117,170,710</b>  | <b>8.70%</b>                           | <b>\$ 38,609,300</b>   | <b>6.10%</b>                           |

Source: Municipal Tax Assessor

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

| FISCAL<br>YEAR<br>ENDED<br>JUNE 30, | TAXES<br>LEVIED FOR<br>THE FISCAL<br>YEAR | COLLECTED WITHIN THE FISCAL<br>YEAR OF THE LEVY |                       | COLLECTIONS<br>IN<br>SUBSEQUENT<br>YEARS |
|-------------------------------------|---|---|-----------------------|--|
|                                     |   | AMOUNT  | PERCENTAGE<br>OF LEVY |  |
| <b>East Greenwich Township</b>      |   |   |                       |  |
| 2023                                | 9,585,801                                 | 9,585,801                                       | 100.00%               | -  |
| 2022                                | 9,013,023                                 | 9,013,023                                       | 100.00%               | -  |
| 2021                                | 8,830,753                                 | 8,830,753                                       | 100.00%               | -  |
| 2020                                | 8,489,944                                 | 8,489,944                                       | 100.00%               | -  |
| 2019                                | 8,601,154                                 | 8,601,154                                       | 100.00%               | -  |
| 2018                                | 8,137,602                                 | 8,137,602                                       | 100.00%               | -  |
| 2017                                | 8,123,897                                 | 8,123,897                                       | 100.00%               | -  |
| 2016                                | 7,666,136                                 | 7,666,136                                       | 100.00%               | -  |
| 2015                                | 7,398,551                                 | 7,398,551                                       | 100.00%               | -  |
| 2014                                | 7,449,553                                 | 7,449,553                                       | 100.00%               | -  |
|                                     | 6,983,548                                 | 6,983,548                                       | 100.00%               |  |
| <b>South Harrison Township</b>      |   |   |                       |  |
| 2023                                | 3,303,418                                 | 3,303,418                                       | 100.00%               | -  |
| 2022                                | 3,081,302                                 | 3,081,302                                       | 100.00%               | -  |
| 2021                                | 3,072,416                                 | 3,072,416                                       | 100.00%               | -  |
| 2020                                | 3,095,129                                 | 3,095,129                                       | 100.00%               | -  |
| 2019                                | 3,344,618                                 | 3,344,618                                       | 100.00%               | -  |
| 2018                                | 3,316,426                                 | 3,316,426                                       | 100.00%               | -  |
| 2017                                | 3,256,290                                 | 3,256,290                                       | 100.00%               | -  |
| 2016                                | 3,212,136                                 | 3,212,136                                       | 100.00%               | -  |
| 2015                                | 3,053,996                                 | 3,053,996                                       | 100.00%               | -  |
| 2014                                | 2,932,492                                 | 2,932,492                                       | 100.00%               | -  |
|                                     | 2,705,173                                 | 2,705,173                                       | 100.00%               |  |
| <b>Borough of Swedesboro</b>        |   |   |                       |  |
| 2023                                | 1,859,151                                 | 1,859,151                                       | 100.00%               | -  |
| 2022                                | 1,753,708                                 | 1,753,708                                       | 100.00%               | -  |
| 2021                                | 1,630,672                                 | 1,630,672                                       | 100.00%               | -  |
| 2020                                | 1,446,703                                 | 1,446,703                                       | 100.00%               | -  |
| 2019                                | 1,504,594                                 | 1,504,594                                       | 100.00%               | -  |
| 2018                                | 1,572,325                                 | 1,572,325                                       | 100.00%               | -  |
| 2017                                | 1,614,466                                 | 1,614,466                                       | 100.00%               | -  |
| 2016                                | 1,560,059                                 | 1,560,059                                       | 100.00%               | -  |
| 2015                                | 1,688,729                                 | 1,688,729                                       | 100.00%               | -  |
| 2014                                | 1,634,313                                 | 1,634,313                                       | 100.00%               | -  |
|                                     | 1,393,609                                 | 1,393,609                                       | 100.00%               | -  |
| <b>Woolwich Township</b>            |   |   |                       |  |
| 2023                                | 11,956,865                                | 11,956,865                                      | 100.00%               | -  |
| 2022                                | 11,946,715                                | 11,946,715                                      | 100.00%               | -  |
| 2021                                | 11,668,400                                | 11,668,400                                      | 100.00%               | -  |
| 2020                                | 11,383,793                                | 11,383,793                                      | 100.00%               | -  |
| 2019                                | 10,986,848                                | 10,986,848                                      | 100.00%               | -  |
| 2018                                | 10,193,654                                | 10,193,654                                      | 100.00%               | -  |
| 2017                                | 9,642,185                                 | 9,642,185                                       | 100.00%               | -  |
| 2016                                | 8,986,758                                 | 8,986,758                                       | 100.00%               | -  |
| 2015                                | 8,329,812                                 | 8,329,812                                       | 100.00%               | -  |
| 2014                                | 8,181,872                                 | 7,129,680                                       | 100.00%               | -  |

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

| FISCAL<br>YEAR<br>ENDED<br>JUNE 20, | GOVERNMENTAL ACTIVITIES        |   |            |                 |               | TOTAL<br>DISTRICT | PERCENTAGE<br>OF<br>PER CAPITA<br>INCOME | PER CAPITA |
|-------------------------------------|--------------------------------|---|------------|-----------------|---------------|-------------------|--|------------|
|                                     | GENERAL<br>OBLIGATION<br>BONDS | BOND<br>ANTICIPATION<br>NOTES<br>(BANs) | SBITAs     | LOAN<br>PAYABLE |               |                   |  |            |
| 2023                                | \$ 25,215,000                  | \$ -                                    | \$ 292,404 | \$ 1,488,334    | \$ 26,995,738 | N/A               | N/A                                      |            |
| 2022                                | 27,830,000                     | -                                       | -          | 983,077         | 28,813,077    | N/A               | 914                                      |            |
| 2021                                | 30,455,000                     | -                                       | -          | 1,387,593       | 31,842,593    | 1.62%             | 1,011                                    |            |
| 2020                                | 32,134,000                     | -                                       | -          | 1,780,834       | 33,914,834    | 1.88%             | 1,133                                    |            |
| 2019                                | 34,359,000                     | -                                       | -          | 266,980         | 34,625,980    | 2.07%             | 1,178                                    |            |
| 2018                                | 36,589,000                     | -                                       | -          | -               | 36,589,000    | 2.30%             | 1,257                                    |            |
| 2017                                | 43,554,000                     | -                                       | -          | 300,000         | 43,854,000    | 2.90%             | 1,532                                    |            |
| 2016                                | 46,364,000                     | -                                       | -          | 600,000         | 46,964,000    | 3.26%             | 1,654                                    |            |
| 2015                                | 48,294,000                     | -                                       | -          | 900,000         | 49,194,000    | 3.50%             | 1,736                                    |            |
| 2014                                | 50,159,000                     | 153,600                                 | -          | 1,200,000       | 51,512,600    | 3.86%             | 1,830                                    |            |

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

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

| FISCAL<br>YEAR<br>ENDED<br>JUNE 30, | GENERAL BONDED DEBT OUTSTANDING |            |   | PERCENTAGE<br>OF ACTUAL<br>TAXABLE<br>VALUE OF<br>PROPERTY | PER CAPITA |
|-------------------------------------|---------------------------------|------------|---|--|------------|
|                                     | GENERAL<br>OBLIGATION<br>BONDS  | DEDUCTIONS | NET<br>GENERAL<br>BONDED<br>DEBT<br>OUTSTANDING |  |            |
| 2023                                | \$ 25,215,000                   | \$ -       | \$ 25,215,000                                   | N/A  | N/A        |
| 2022                                | 27,830,000                      | -          | 27,830,000                                      | 0.84%  | 883        |
| 2021                                | 30,455,000                      | -          | 30,455,000                                      | 0.94%  | 967        |
| 2020                                | 32,134,000                      | -          | 32,134,000                                      | 1.02%  | 1,073      |
| 2019                                | 34,359,000                      | -          | 34,359,000                                      | 1.10%  | 1,169      |
| 2018                                | 34,359,000                      | -          | 34,359,000                                      | 1.17%  | 1,181      |
| 2017                                | 43,554,000                      | -          | 43,554,000                                      | 1.57%  | 1,521      |
| 2016                                | 46,364,000                      | -          | 46,364,000                                      | 1.68%  | 1,633      |
| 2015                                | 48,294,000                      | -          | 48,294,000                                      | 1.77%  | 1,704      |
| 2014                                | 50,159,000                      | -          | 50,159,000                                      | 1.86%  | 1,781      |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2023**

| <u>Governmental Unit</u>                | DEBT<br>OUTSTANDING | ESTIMATED<br>PERCENTAGE<br>APPLICABLE (a) | ESTIMATED<br>SHARE OF<br>OVERLAPPING<br>DEBT |
|---|---------------------|---|--|
| <b>Debt Repaid With Property Taxes:</b> |                     |   |  |
| East Greenwich Township                 | \$ 10,776,378       | 100.00%                                   | \$ 10,776,378                                |
| South Harrison Township                 | -                   | 100.00%                                   | -  |
| Swedesboro Borough                      | 2,364,000           | 100.00%                                   | 2,364,000                                    |
| Woolwich Township                       | 44,956,657          | 100.00%                                   | 44,956,657                                   |
| <b>Other Debt:</b>                      |                     |   |  |
| County of Gloucester                    | 151,050,000         | Net County<br><u>Apportioned</u>          |  |
| East Greenwich Township                 |                     | 1,273,439,300                             | 4.51%  |
| South Harrison Township                 |                     | 401,526,500                               | 0.14%  |
| Swedesboro Borough                      |                     | 173,175,400                               | 0.61%  |
| Woolwich Township                       |                     | 1,462,961,510                             | 5.18%  |
|   |                     |   | 7,826,217                                    |
| Subtotal, Overlapping Debt              |                     |   | 73,880,015                                   |
| Kingsway Regional School District Debt  |                     |   | 25,215,000                                   |
| <br>                                    |                     |   |  |
| Total Direct & Overlapping Debt         |                     |   | \$ 99,095,015                                |

Sources: Assessed value data used to estimate applicable percentages provided by the Gloucester County Board of Taxation. Debt outstanding data provided by each governmental unit.

NOTE: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the district. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the above. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

(a) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the District's boundaries and dividing it by each unit's total taxable value.

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

|                                    | 2023           | 2022           | 2021           | 2020        | 2019        | 2018       | 2017       | 2016       | 2015       | 2014       |
|------------------------------------|----------------|----------------|----------------|-------------|-------------|------------|------------|------------|------------|------------|
| Debt Limit                         | \$ 134,142,091 | \$ 124,189,143 | \$ 110,760,382 | 105,019,261 | 102,151,534 | 95,850,403 | 95,850,403 | 97,981,635 | 99,390,738 | 98,413,494 |
| Total Net Debt Applicable to Limit | 25,215,000     | 27,830,000     | 30,455,000     | 34,359,000  | 34,359,000  | 43,554,000 | 46,364,000 | 48,294,000 | 50,159,000 | 28,239,000 |
| Legal Debt Margin                  | \$ 108,927,091 | \$ 96,359,143  | \$ 80,305,382  | 70,660,261  | 67,792,534  | 52,296,403 | 49,486,403 | 49,687,635 | 49,231,738 | 70,174,494 |

Total Net Debt Applicable to the Limit as a Percentage of Debt Limit

|  |        |        |        |        |        |        |        |        |        |        |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
|  | 18.80% | 22.41% | 27.50% | 32.72% | 33.64% | 45.44% | 48.37% | 49.29% | 50.47% | 28.69% |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|

**Legal Debt Margin Calculation for Fiscal Year 2022**

|  | Equalized Valuation Basis |                |             |               | Total             |
|--|---------------------------|----------------|-------------|---------------|-------------------|
|  | East Greenwich            | South Harrison | Swedesboro  | Woolwich      |                   |
| 2023   | 1,572,147,284             | 533,731,869    | 226,018,533 | 1,737,483,979 | \$ 4,069,381,665  |
| 2022   | 1,545,546,296             | 526,208,826    | 225,569,173 | 1,686,766,045 | \$ 3,984,090,340  |
| 2021   | 1,311,929,379             | 453,401,255    | 197,517,954 | 1,481,572,906 | \$ 3,444,421,494  |
|  |                           |                |             |               | \$ 11,497,893,499 |
| Average Equalized Valuation of Taxable Property  |                           |                |             |               | \$ 3,832,631,166  |
| Debt Limit (3.5 % of Average Equalization Value) |                           |                |             |               | \$ 134,142,091    |
| Net Bonded School Debt                           |                           |                |             |               | 25,215,000        |
| Legal Debt Margin                                |                           |                |             |               | \$ 108,927,091    |

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

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

| YEAR                      | POPULATION (a) | PER CAPITA<br>PERSONAL<br>INCOME (c) | UNEMPLOYMENT<br>RATE (d) |
|---------------------------|----------------|--------------------------------------|--------------------------|
| <b>East Greenwich</b>     |                |                                      |                          |
| 2023                      | N/A            | N/A                                  | N/A                      |
| 2022                      | 12,110         | N/A                                  | N/A                      |
| 2021                      | 12,106         | 62,553                               | 3.0%                     |
| 2020                      | 10,975         | 60,386                               | 4.8%                     |
| 2019                      | 10,726         | 56,853                               | 2.7%                     |
| 2018                      | 10,583         | 54,646                               | 3.1%                     |
| 2017                      | 10,483         | 52,729                               | 3.7%                     |
| 2016                      | 10,348         | 50,788                               | 4.2%                     |
| 2015                      | 10,300         | 49,622                               | 5.5%                     |
| 2014                      | 10,263         | 47,406                               | 3.8%                     |
| <b>South Harrison</b>     |                |                                      |                          |
| 2023                      | N/A            | N/A                                  | N/A                      |
| 2022                      | 3,429          | N/A                                  | N/A                      |
| 2021                      | 3,445          | 62,553                               | 3.0%                     |
| 2020                      | 3,131          | 60,386                               | 5.0%                     |
| 2019                      | 3,124          | 56,853                               | 3.4%                     |
| 2018                      | 3,137          | 54,646                               | 3.6%                     |
| 2017                      | 3,145          | 52,729                               | 4.5%                     |
| 2016                      | 3,154          | 50,788                               | 4.9%                     |
| 2015                      | 3,168          | 49,622                               | 6.1%                     |
| 2014                      | 3,176          | 47,406                               | 6.0%                     |
| <b>Swedesboro Borough</b> |                |                                      |                          |
| 2023                      | N/A            | N/A                                  | N/A                      |
| 2022                      | 2,732          | N/A                                  | N/A                      |
| 2021                      | 2,744          | 62,553                               | 3.5%                     |
| 2020                      | 2,577          | 60,386                               | 5.9%                     |
| 2019                      | 2,573          | 56,853                               | 3.4%                     |
| 2018                      | 2,584          | 54,646                               | 4.4%                     |
| 2017                      | 2,587          | 52,729                               | 5.0%                     |
| 2016                      | 2,592          | 50,788                               | 4.8%                     |
| 2015                      | 2,604          | 49,622                               | 5.3%                     |
| 2014                      | 2,600          | 47,406                               | 8.3%                     |
| <b>Woolwich</b>           |                |                                      |                          |
| 2023                      | N/A            | N/A                                  | N/A                      |
| 2022                      | 13,260         | N/A                                  | N/A                      |
| 2021                      | 13,192         | 62,553                               | 2.4%                     |
| 2020                      | 13,257         | 60,386                               | 3.8%                     |
| 2019                      | 12,969         | 56,853                               | 2.1%                     |
| 2018                      | 12,793         | 54,646                               | 2.8%                     |
| 2017                      | 12,415         | 52,729                               | 3.4%                     |
| 2016                      | 12,293         | 50,788                               | 3.8%                     |
| 2015                      | 12,268         | 49,622                               | 4.8%                     |
| 2014                      | 12,117         | 47,406                               | 4.6%                     |

**Source:**

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

b Personal income

c Per Capita

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

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

|                                     | 2023          |      |                                      |
|-------------------------------------|---------------|------|--------------------------------------|
|                                     | EMPLOYEES     | RANK | PERCENTAGE<br>OF TOTAL<br>EMPLOYMENT |
| Amazon                              | 4,500         | 1    | 3.28%                                |
| Rowan University                    | 3,500         | 2    | 2.55%                                |
| Inspira Health                      | 2,051         | 3    | 1.50%                                |
| Jefferson Health                    | 2,015         | 4    | 1.47%                                |
| Washington Township School District | 1,515         | 5    | 1.11%                                |
| Shop Rite                           | 1,300         | 6    | 95.00%                               |
| County of Gloucester                | 1,200         | 7    | 0.88%                                |
| US Foodservices                     | 1,014         | 8    | 0.75%                                |
| Monrow Township School District     | 841           | 9    | 0.61%                                |
| Walmart - Turnersville              | 800           | 10   | 0.58%                                |
|                                     | <u>18,736</u> |      | <u>13.67%</u>                        |

| EMPLOYER                            | 2012          |                    |                                      |
|-------------------------------------|---------------|--------------------|--------------------------------------|
|                                     | EMPLOYEES     | RANK<br>(OPTIONAL) | PERCENTAGE<br>OF TOTAL<br>EMPLOYMENT |
| Rowan University                    | 1,300         | 1                  | N/A                                  |
| Underwood Memorial Hospital         | 1,825         | 2                  | N/A                                  |
| Washington Township School District | 1,648         | 3                  | N/A                                  |
| County of Gloucester                | 1,500         | 4                  | N/A                                  |
| Kennedy Health Alliance             | 1,200         | 5                  | N/A                                  |
| Missa Bay, LLC                      | 950           | 6                  | N/A                                  |
| Monroe Township School District     | 725           | 7                  | N/A                                  |
| U.S Foodservices                    | 741           | 8                  | N/A                                  |
| DGI Services                        | 600           | 9                  | N/A                                  |
| Delaware Valley Wholesale Florist   | 500           | 10                 | N/A                                  |
|                                     | <u>10,989</u> |                    |                                      |

Source: Comprehensive Annual Financial Reports of Individual School Districts



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

| Function/Program                       | 2023         | 2022         | 2021         | 2020         | 2019         | 2018         | 2017         | 2016         | 2015         | 2014         |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Instruction:                           |              |              |              |              |              |              |              |              |              |              |
| Regular                                | 179.0        | 176.0        | 168.0        | 166.0        | 160.5        | 151.5        | 148.0        | 149.0        | 149.0        | 144.0        |
| Special Education                      | 59.0         | 63.0         | 59.0         | 59.0         | 67.0         | 59.0         | 58.0         | 58.0         | 56.0         | 55.0         |
| Other Instruction                      | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 8.0          | 8.0          | 8.0          | 8.0          |
| Athletics & Extra-Curricular           | 2.0          | 2.0          | 2.0          | 2.0          | 3.0          | 2.0          | 3.0          | 3.0          | 3.0          | 3.0          |
| Support Services:                      |              |              |              |              |              |              |              |              |              |              |
| Student & Instruction Related Services | 59.0         | 51.0         | 50.0         | 48.0         | 37.0         | 36.5         | 36.0         | 37.0         | 35.0         | 36.0         |
| School Administrative Services         | 17.0         | 16.0         | 16.0         | 16.0         | 15.0         | 17.0         | 18.0         | 18.0         | 17.0         | 15.0         |
| General Administrative Services        | 3.0          | 2.0          | 2.0          | 2.0          | 2.0          | 2.0          | 2.0          | 2.0          | 2.0          | 3.0          |
| Plant Operations & Maintenance         | 37.0         | 38.0         | 36.0         | 34.0         | 33.0         | 33.0         | 36.0         | 36.0         | 36.0         | 36.0         |
| Pupil Transportation                   | 29.0         | 30.0         | 32.0         | 42.0         | 49.0         | 47.0         | 48.0         | 48.0         | 48.0         | 44.0         |
| Business & Other Support Services      | 13.0         | 13.0         | 13.0         | 12.0         | 12.0         | 10.0         | 11.0         | 11.0         | 11.0         | 10.0         |
| Food Service                           | 19.0         | 15.0         | 14.0         | 25.0         | 26.0         | 27.0         | 28.0         | 28.0         | 28.0         | 24.0         |
| <b>Total</b>                           | <b>417.0</b> | <b>406.0</b> | <b>392.0</b> | <b>406.0</b> | <b>404.5</b> | <b>385.0</b> | <b>396.0</b> | <b>398.0</b> | <b>393.0</b> | <b>378.0</b> |

**Source:** District Personnel Records

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

| FISCAL YEAR | ENROLLMENT | OPERATING EXPENDITURES (a) | COST PER PUPIL | PERCENTAGE CHANGE | TEACHING STAFF (b) | PUPIL/TEACHER RATIO |             |        | AVERAGE DAILY ENROLLMENT (ADE) (c) | AVERAGE DAILY ATTENDANCE (ADA) (d) | % CHANGE IN AVERAGE DAILY ENROLLMENT | STUDENT ATTENDANCE PERCENTAGE |
|-------------|------------|----------------------------|----------------|-------------------|--------------------|---------------------|-------------|--------|------------------------------------|------------------------------------|--------------------------------------|-------------------------------|
|             |            |                            |                |                   |                    | MIDDLE SCHOOL       | HIGH SCHOOL | SCHOOL |                                    |                                    |                                      |                               |
| 2023        | 2,906      | \$ 55,997,772              | 19,270         | 3.26%             | 238                | 1.15                | 1.15        | 1.15   | 2,874.8                            | 2,696.3                            | 3.13%                                | 93.79%                        |
| 2022        | 2,810      | 52,440,412                 | 18,662         | 17.42%            | 227                | 1.14                | 1.14        | 1.14   | 2,784.8                            | 2,627.0                            | -0.29%                               | 94.33%                        |
| 2021        | 2,809      | 44,646,230                 | 15,894         | 19.28%            | 224                | 1.13                | 1.13        | 1.13   | 2,792.8                            | 2,628.0                            | -0.03%                               | 94.10%                        |
| 2020        | 2,810      | 37,444,509                 | 13,325         | -9.94%            | 219                | 1.13                | 1.13        | 1.13   | 2,793.6                            | 2,704.0                            | 3.12%                                | 96.79%                        |
| 2019        | 2,727      | 40,350,600                 | 14,797         | 9.58%             | 199                | 1.14                | 1.14        | 1.16   | 2,706.4                            | 2,571.5                            | 0.01%                                | 95.02%                        |
| 2018        | 2,713      | 36,635,063                 | 13,504         | 0.03              | 186                | 1.14                | 1.14        | 1.17   | 2,706.2                            | 2,562.5                            | 1.57%                                | 94.69%                        |
| 2017        | 2,691      | 35,266,863                 | 13,105         | (0.02)            | 183                | 1.14                | 1.14        | 1.17   | 2,663.7                            | 2,530.5                            | 4.05%                                | 95.00%                        |
| 2016        | 2,567      | 34,242,131                 | 13,339         | 0.01              | 184                | 1.13                | 1.13        | 1.14   | 2,555.9                            | 2,427.0                            | 1.33%                                | 94.96%                        |
| 2015        | 2,534      | 33,342,831                 | 13,158         | 0.03              | 183                | 1.13                | 1.13        | 1.14   | 2,522.0                            | 2,407.0                            | 3.17%                                | 95.44%                        |
| 2014        | 2,463      | 31,569,386                 | 12,817         | 0.03              | 175                | 1.14                | 1.14        | 1.15   | 2,442.1                            | 2,311.4                            | 4.59%                                | 94.65%                        |
| 2013        | 2,365      | 29,468,444                 | 12,460         | 0.03              | 167                | 1.22                | 1.22        | 1.23   | 2,329.9                            | 2,189.9                            | 3.03%                                | 93.99%                        |

**Sources:** District records

(a) Operating expenditures equal total expenditures less debt service and capital outlay

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

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

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

| DISTRICT BUILDINGS         | 2023    | 2022    | 2021    | 2020    | 2019    | 2018    | 2017    | 2016    | 2015    | 2014    |
|----------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| High School (Grades 9-12)  |         |         |         |         |         |         |         |         |         |         |
| Square Feet                | 259,484 | 259,484 | 259,484 | 259,484 | 259,484 | 259,484 | 259,484 | 259,484 | 259,484 | 222,351 |
| Capacity (Students)        | 2,000   | 2,000   | 2,000   | 2,000   | 2,000   | 2,000   | 2,000   | 2,000   | 2,000   | 1,454   |
| Enrollment                 | 1,951   | 1,882   | 1,784   | 1,774   | 1,740   | 1,750   | 1,771   | 1,685   | 1,664   | 1,597   |
| Middle School (Grades 7-8) |         |         |         |         |         |         |         |         |         |         |
| Square Feet                | 146,888 | 146,888 | 146,888 | 146,888 | 146,888 | 146,888 | 146,888 | 146,888 | 146,888 | 104,436 |
| Capacity (Students)        | 1,000   | 1,000   | 1,000   | 1,000   | 1,000   | 1,000   | 1,000   | 1,000   | 1,000   | 800     |
| Enrollment                 | 955     | 928     | 1,025   | 1,036   | 987     | 963     | 920     | 882     | 870     | 866     |

Number of Schools at June 30, 2023:  
 Middle School = 1  
 Senior High School = 1  
 Other = 0

**Source:** District Facilities Office  
 Enrollment is based on the annual October district count.

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

**UNDISTRIBUTED EXPENDITURES - REQUIRED  
MAINTENANCE FOR SCHOOL FACILITIES**

| Fiscal Year Ended June 30,      | 2023              | 2022              | 2021              | 2020              | 2019              | 2018              | 2017              | 2016              | 2015              | 2014              |
|---------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| District Facilities:            |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Kingsway Regional Middle School | \$ 306,613        | \$ 288,445        | \$ 184,838        | \$ 173,376        | \$ 161,845        | \$ 128,664        | \$ 158,313        | \$ 141,328        | \$ 191,300        | \$ 141,108        |
| Kingsway Regional High School   | 505,220           | 508,744           | 324,927           | 383,674           | 256,600           | 234,421           | 227,482           | 269,720           | 278,942           | 320,229           |
| <b>Total School Facilities</b>  | <b>\$ 811,833</b> | <b>\$ 797,189</b> | <b>\$ 509,765</b> | <b>\$ 557,050</b> | <b>\$ 418,445</b> | <b>\$ 363,085</b> | <b>\$ 385,795</b> | <b>\$ 411,048</b> | <b>\$ 470,242</b> | <b>\$ 461,337</b> |

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

Source: District records

**KINGSWAY REGIONAL SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2023**

|  | COVERAGE       | DEDUCTIBLE |
|--|----------------|------------|
| <b>School Package Policy (1)</b>                                     |                |            |
| Commercial Property  | \$ 130,893,966 | \$ 1,000   |
| Commercial General Liability   | 3,000,000      | 1,000      |
| Commercial Crime   | 100,000        | 250        |
| Commercial Inland Marine   | 3,213,000      | 1,000      |
| <b>Umbrella Liability (2)</b>  | 10,000,000     | 10,000     |
| <b>Commercial Automotive Policy (3)</b>                              | 1,000,000      | 2,000      |
| <b>Cyber Liability &amp; IT Errors &amp; Omissions Liability (4)</b> | 2,000,000      | 25,000     |
| <b>Pollution Policy (5)</b>  | 1,000,000      | 10,000     |
| <b>Student Accident Insurance (6)</b>                                |                |            |
| Catastrophic   | 2,500,000      | 25,000     |
| <b>Surety Bonds (7)</b>  |                |            |
| Business Administrator/Board Secretary                               | 250,000        | -          |
| <b>Workmen's Compensation (8)</b>                                    |                |            |
| Policy   | 3,000,000      | -          |
| Supplemental   | 100,000        | -          |

(1) Republic-Franklin Insurance Company

(2) Republic-Franklin Insurance Company

(3) Republic-Franklin Insurance Company

(4) Hiscox Insurance Company, Inc.

(5) Navigators Insurance Company

(6) United States Fire Insurance Company

(7) Liberty Mutual

(8) NJSIG

Source: District records

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**SINGLE AUDIT SECTION**

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HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

EXHIBIT K-1

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Kingsway Regional School District (the “School District”) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District’s basic financial statements, and have issued our report thereon dated January 8, 2024.

**Internal Control Over Financial Reporting**

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

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

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

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deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Report on Compliance and Other Matters**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

**HOLT MCNALLY & ASSOCIATES, INC.**  
*Certified Public Accountants & Advisors*

Michael Holt  
Certified Public Accountant  
Public School Accountant, No. 1148

Medford, New Jersey  
January 8, 2024



HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

EXHIBIT K-2

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM  
GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08**

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

**Report on Compliance for Each Major Federal and State Program**

**Opinion on Each Major Federal and State Program**

We have audited the Kingsway Regional School District’s (the “School District”) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the School District’s major federal and state programs for the fiscal year ended June 30, 2023. The School District’s major federal and state programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2023.

**Basis for Opinion on Each Major Federal and State Program**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); New Jersey OMB’s Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the School District and to meet our ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of the School District’s compliance with the compliance requirements referred to above.

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## **Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the School District's federal and state programs.

## **Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individual or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted accounting standards, *Government Auditing Standards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, but not for the purpose of expressing an opinion on the effectiveness of School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on Internal Control Over Compliance**

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

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

### **Purpose of this Report**

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and New Jersey OMB's Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Respectfully Submitted,

**HOLT MCNALLY & ASSOCIATES, INC**  
*Certified Public Accountants & Advisors*

Michael Holt  
Certified Public Accountant  
Public School Accountant, No. 1148

Medford, New Jersey  
January 8, 2024

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KINGSWAY REGIONAL SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR FISCAL YEAR ENDED JUNE 30, 2023

| FEDERAL GRANTOR<br>PASS THROUGH GRANTOR<br>PROGRAM TITLE                              | FEDERAL<br>FAIN<br>NUMBER | ASSISTANCE<br>LISTING<br>NUMBER | PASS THROUGH<br>ENTITY<br>IDENTIFYING<br>NUMBER | AWARD<br>AMOUNT | GRANT<br>PERIOD | BALANCE<br>AT<br>JUNE 30,<br>2022 | CASH<br>RECEIVED | BUDGETARY<br>EXPENDITURES | ADJUSTMENTS | SUBRECIPIENT<br>EXPENDITURES | (ACCOUNTS<br>RECEIVABLE)<br>AT JUNE 30,<br>2023 | UNEARNED<br>REVENUE<br>AT JUNE 30,<br>2023 | DUE TO<br>GRANTOR<br>AT JUNE 30,<br>2023 |
|---|---------------------------|---------------------------------|---|-----------------|-----------------|-----------------------------------|------------------|---------------------------|-------------|------------------------------|---|--|--|
| <b>U.S. DEPARTMENT OF AGRICULTURE PASSED THROUGH STATE DEPARTMENT OF AGRICULTURE:</b> |                           |                                 |   |                 |                 |                                   |                  |                           |             |                              |   |  |  |
| Enterprise Fund:  |                           |                                 |   |                 |                 |                                   |                  |                           |             |                              |   |  |  |
| Child Nutrition Cluster:  |                           |                                 |   |                 |                 |                                   |                  |                           |             |                              |   |  |  |
| Food Distribution Program   |                           |                                 |   |                 |                 |                                   |                  |                           |             |                              |   |  |  |
| Cash Assistance:  | 231N304N1099              | 10.555                          | Unavailable                                     | 79,942          | 7/1/22-6/30/23  | \$ -                              | \$ 79,942        | \$ (79,942)               | \$ -        | \$ -                         | \$ -  | \$ -                                       | \$ -                                     |
| Healthy Hunger Free Kids Act  | 231N304N1099              | 10.555                          | 100-010-3350-026                                | 12,332          | 7/1/22-6/30/23  | -                                 | 11,659           | (12,332)                  | -           | (673)                        | -   | -  | -  |
| COVID-19 Supply Chain Assistance Funds  | 231N344N8903              | 10.555                          | 100-010-3350-118                                | 139,763         | 7/1/21-6/30/24  | -                                 | 139,763          | (95,789)                  | -           | -                            | 43,974  | -  | -  |
| National School Lunch Program   | 231N304N1099              | 10.555                          | 100-010-3350-026                                | 258,471         | 7/1/22-6/30/23  | -                                 | 244,295          | (258,471)                 | -           | (14,176)                     | -   | -  | -  |
| COVID-19 National School Lunch Program  | 231N304N1099              | 10.555                          | 100-010-3350-098                                | 1,378,465       | 7/1/21-6/30/22  | (66,567)                          | 66,567           | -                         | -           | -                            | -   | -  | -  |
| Total Child Nutrition Cluster   |                           |                                 |   |                 |                 | (66,567)                          | 542,226          | (446,534)                 | -           | (14,849)                     | 43,974  | -  | -  |
| Total Enterprise Fund   |                           |                                 |   |                 |                 | (66,567)                          | 542,226          | (446,534)                 | -           | (14,849)                     | 43,974  | -  | -  |
| <b>U.S. DEPARTMENT OF THE TREASURY PASSED THROUGH STATE DEPARTMENT OF EDUCATION:</b>  |                           |                                 |   |                 |                 |                                   |                  |                           |             |                              |   |  |  |
| Special Revenue:  |                           |                                 |   |                 |                 |                                   |                  |                           |             |                              |   |  |  |
| COVID-19 State and Local Fiscal Recovery Funds (ACRS)                                 |                           |                                 |   |                 |                 |                                   |                  |                           |             |                              |   |  |  |
|   |                           | 21.027                          | SLEFDOEISES 100-034-5065-016                    | 21,866          | 7/1/21-9/30/22  | (21,866)                          | 21,866           | -                         | -           | -                            | -   | -  | -  |
| Total Special Revenue Fund  |                           |                                 |   |                 |                 | (21,866)                          | 21,866           | -                         | -           | -                            | -   | -  | -  |
| <b>U.S. DEPARTMENT OF EDUCATION PASSED THROUGH STATE DEPARTMENT OF EDUCATION:</b>     |                           |                                 |   |                 |                 |                                   |                  |                           |             |                              |   |  |  |
| General Fund:   |                           |                                 |   |                 |                 |                                   |                  |                           |             |                              |   |  |  |
| Medical Assistance Program (SEM)  |                           |                                 |   |                 |                 |                                   |                  |                           |             |                              |   |  |  |
| PTCR/SEMI   | 2105N30MAP                | 93.778                          | 100-054-5040-211                                | 2,586           | 7/1/21-6/30/22  | (872)                             | 872              | -                         | -           | -                            | -   | -  | -  |
| Medical Assistance Program (SEM)  | 2105N30MAP                | 93.778                          | 100-054-5040-211                                | 1,708           | 7/1/22-6/30/23  | -                                 | 1,708            | (1,708)                   | -           | -                            | -   | -  | -  |
|   |                           |                                 |   | 13,843          | 7/1/22-6/30/23  | -                                 | 13,843           | (13,843)                  | -           | -                            | -   | -  | -  |
| Total General Fund  |                           |                                 |   |                 |                 | (872)                             | 16,423           | (15,551)                  | -           | -                            | -   | -  | -  |
| Special Revenue:  |                           |                                 |   |                 |                 |                                   |                  |                           |             |                              |   |  |  |
| Title I   |                           |                                 |   |                 |                 |                                   |                  |                           |             |                              |   |  |  |
| Title I   | S010A220030               | 84.010                          | 100-034-5064-194                                | 128,952         | 7/1/22-9/30/23  | (70,607)                          | 72,853           | (82,855)                  | -           | (9,982)                      | -   | -  | -  |
| Title I   | S010A210030               | 84.010                          | 100-034-5064-194                                | 134,846         | 7/1/21-9/30/22  | (70,607)                          | 70,607           | -                         | -           | -                            | -   | -  | -  |
| Subtotal  |                           |                                 |   |                 |                 | (70,607)                          | 143,460          | (82,855)                  | -           | (9,982)                      | -   | -  | -  |
| Title II  | S367A210029               | 84.367                          | 100-034-5063-290                                | 37,421          | 7/1/22-9/30/23  | -                                 | 1,399            | (3,899)                   | -           | (2,500)                      | -   | -  | -  |
| Title II  | S367A210029               | 84.367                          | 100-034-5063-290                                | 21,265          | 7/1/21-9/30/22  | (11,175)                          | 11,175           | -                         | -           | (2,500)                      | -   | -  | -  |
| Subtotal  |                           |                                 |   |                 |                 | (11,175)                          | 12,574           | (3,899)                   | -           | (2,500)                      | -   | -  | -  |
| Title III - Consortium  | S365A200030               | 83.365                          | 100-034-5064-187                                | 3,300           | 7/1/19-9/30/20  | (2,425)                           | -                | -                         | -           | (2,425)                      | -   | -  | -  |
| Subtotal  |                           |                                 |   |                 |                 | (2,425)                           | -                | -                         | -           | (2,425)                      | -   | -  | -  |
| Special Education Cluster:  |                           |                                 |   |                 |                 |                                   |                  |                           |             |                              |   |  |  |
| I.D.E.A. Part B, Basic Regular  |                           |                                 |   |                 |                 |                                   |                  |                           |             |                              |   |  |  |
| I.D.E.A. Part B, Basic Regular  | H027A210100               | 84.027A                         | 100-034-5065-016                                | 524,590         | 7/1/22-9/30/23  | (105,528)                         | 486,338          | (524,590)                 | -           | (38,232)                     | -   | -  | -  |
| I.D.E.A. Part B, Basic Regular  | H027A210100               | 84.027A                         | 100-034-5065-016                                | 498,286         | 7/1/21-9/30/22  | (105,528)                         | 105,528          | -                         | -           | -                            | -   | -  | -  |
| Subtotal  |                           |                                 |   |                 |                 | (2,863)                           | 591,866          | (524,590)                 | -           | (38,232)                     | -   | -  | -  |
| I.D.E.A. Part B, ARP  | H027X210100               | 84.027X                         | 100-034-5065-016                                | 125,243         | 7/1/21-9/30/22  | (2,863)                           | 2,863            | -                         | -           | -                            | -   | -  | -  |
| Subtotal  |                           |                                 |   |                 |                 | (2,863)                           | 2,863            | -                         | -           | -                            | -   | -  | -  |
| Total Special Education Cluster   |                           |                                 |   |                 |                 | (108,391)                         | 594,749          | (524,590)                 | -           | (38,232)                     | -   | -  | -  |
| Education Stabilization Fund:   |                           |                                 |   |                 |                 |                                   |                  |                           |             |                              |   |  |  |
| COVID-19 ARP Homies   |                           |                                 |   |                 |                 |                                   |                  |                           |             |                              |   |  |  |
| COVID-19 ARP Homies   | S425W210031               | 84.425W                         | 100-034-5064-523                                | 10,946          | 3/13/20-9/30/23 | -                                 | 10,946           | (10,946)                  | -           | -                            | -   | -  | -  |
| COVID-19 CRBSA - ESSER II   | S425D200027               | 84.425D                         | 100-034-5120-518                                | 452,305         | 3/13/20-9/30/23 | (84,232)                          | 87,067           | (2,834)                   | -           | -                            | -   | 12,857                                     | -  |
| COVID-19 CRBSA - ESSER II - Mental Health   | S425D200027               | 84.425D                         | 100-034-5120-518                                | 45,000          | 3/13/20-9/30/23 | (14,492)                          | 27,349           | -                         | -           | -                            | -   | -  | -  |
| Subtotal  |                           |                                 |   |                 |                 | (98,725)                          | 114,416          | (2,834)                   | -           | -                            | -   | 12,857                                     | -  |
| COVID-19 ARP ESSER III  | S425U210027               | 84.425U                         | 100-034-5120-523                                | 1,016,527       | 3/13/20-9/30/24 | (8,302,916)                       | 890,848          | (78,801)                  | -           | (18,249)                     | -   | -  | -  |
| COVID-19 ARP ESSER III - Accelerated Learning   | S425U210027               | 84.425U                         | 100-034-5120-523                                | 213,827         | 3/13/20-9/30/24 | (9,500)                           | 67,678           | (105,938)                 | -           | (38,260)                     | -   | -  | -  |
| COVID-19 ARP ESSER III - Mental Health  | S425U210027               | 84.425U                         | 100-034-5120-523                                | 88,501          | 3/13/20-9/30/24 | (8,399,796)                       | 53,778           | (55,203)                  | -           | (10,925)                     | -   | -  | -  |
| Subtotal  |                           |                                 |   |                 |                 | (9,398,521)                       | 1,012,304        | (239,942)                 | -           | (67,434)                     | -   | -  | -  |
| Total Education Stabilization Fund:   |                           |                                 |   |                 |                 | (9,398,521)                       | 1,137,666        | (253,722)                 | -           | (67,434)                     | 12,857  | -  | -  |
| Total Special Revenue Fund  |                           |                                 |   |                 |                 | (1,131,119)                       | 1,888,449        | (865,046)                 | -           | (120,573)                    | 12,857  | -  | -  |
| Total Federal Financial Assistance  |                           |                                 |   |                 |                 | \$ (1,220,494)                    | \$ 2,468,964     | \$ (1,327,131)            | \$ -        | \$ (135,422)                 | \$ 96,831                                       | \$ -                                       | \$ -                                     |

KINGWAY REGIONAL SCHOOL DISTRICT  
SCHEDULE OF STATE FINANCIAL ASSISTANCE  
FOR FISCAL YEAR ENDED JUNE 30, 2023

| STATE GRANTOR/<br>PROGRAM TITLE                                   | GRANT OR<br>STATE PROJECT<br>NUMBER | AWARD<br>AMOUNT | GRANT<br>PERIOD | BALANCE<br>AT<br>JUNE 30,<br>2022 | CASH<br>RECEIVED | BUDGETARY<br>EXPENDITURES | SUB RECEIPT | (ACCOUNTS<br>RECEIVABLE)<br>AT JUNE 30,<br>2023 | DEFERRED<br>REVENUE<br>AT JUNE 30,<br>2013 | MEMO                    |                                     |
|---|-------------------------------------|-----------------|-----------------|-----------------------------------|------------------|---------------------------|-------------|---|--|-------------------------|-------------------------------------|
|   |                                     |                 |                 |                                   |                  |                           |             |   |  | BUDGETARY<br>RECEIVABLE | CUMULATIVE<br>TOTAL<br>EXPENDITURES |
| <b>State Department of Education:</b>                             |                                     |                 |                 |                                   |                  |                           |             |   |  |                         |                                     |
| General Fund:   |                                     |                 |                 |                                   |                  |                           |             |   |  |                         |                                     |
| State Aid Public:   |                                     |                 |                 |                                   |                  |                           |             |   |  |                         |                                     |
| Equalization Aid  | 495-034-5120-078                    | \$ 16,255,105   | 7/1/22-6/30/23  | \$ -                              | \$ 16,255,105    | \$ -                      | \$ -        | \$ -  | \$ -                                       | \$ -                    | \$ 16,255,105                       |
| Special Education Categorical Aid                                 | 495-034-5120-089                    | 2,148,364       | 7/1/22-6/30/23  | -                                 | 2,148,364        | (2,148,364)               | -           | -   | -  | -                       | 2,148,364                           |
| Security Aid  | 495-034-5120-084                    | 232,812         | 7/1/22-6/30/23  | -                                 | 232,812          | (232,812)                 | -           | -   | -  | -                       | 232,812                             |
| Total State Aid Public  |                                     |                 |                 | -                                 | 18,636,281       | (18,636,281)              | -           | -   | -  | -                       | 18,636,281                          |
| Transportation Aid  | 495-034-5120-014                    | 1,518,262       | 7/1/22-6/30/23  | -                                 | 1,518,262        | (1,518,262)               | -           | -   | -  | -                       | 1,518,262                           |
| Extraordinary Aid   | 495-034-5120-044                    | 739,142         | 7/1/22-6/30/23  | -                                 | -                | (739,142)                 | -           | (739,142)                                       | -  | -                       | 739,142                             |
| Extraordinary Aid   | 495-034-5120-044                    | 597,149         | 7/1/21-6/30/22  | (597,149)                         | -                | -                         | -           | -   | -  | -                       | -                                   |
| Securing Our Children's Future Bond Act                           | unavailable                         |                 | 7/1/21-6/30/22  |                                   | 597,149          | -                         | -           | -   | -  | -                       | -                                   |
| Additional Non-Public School Transportation Aid                   | 495-034-5120-014                    | 60,840          | 7/1/22-6/30/23  | -                                 | -                | (60,840)                  | -           | (60,840)  | -  | -                       | 60,840                              |
| Additional Non-Public School Transportation Aid                   | 495-034-5120-014                    | 62,930          | 7/1/21-6/30/22  | (62,930)                          | 62,930           | -                         | -           | -   | -  | -                       | -                                   |
| Reimbursed TPAF Social Security Contribution                      | 495-034-5094-003                    | 1,343,339       | 7/1/21-6/30/22  | (66,145)                          | 66,145           | -                         | -           | -   | -  | -                       | -                                   |
| Reimbursed TPAF Social Security Contribution                      | 495-034-5094-003                    | 1,393,111       | 7/1/22-6/30/23  | -                                 | 1,325,248        | (1,393,111)               | -           | (67,863)  | -  | -                       | 1,393,111                           |
| Noncash Assistance:   |                                     |                 |                 |                                   |                  |                           |             |   |  |                         |                                     |
| TPAF - Pension Contribution                                       | 495-034-5094-002                    | 5,889,793       | 7/1/22-6/30/23  | -                                 | 5,889,793        | (5,889,793)               | -           | -   | -  | -                       | 5,889,793                           |
| TPAF - Post Retirement Medical Contribution                       | 495-034-5094-001                    | 1,547,235       | 7/1/22-6/30/23  | -                                 | 1,547,235        | (1,547,235)               | -           | -   | -  | -                       | 1,547,235                           |
| TPAF - Long-Term Disability Insurance                             | 495-034-5094-003                    | 3,468           | 7/1/22-6/30/23  | -                                 | 3,468            | (3,468)                   | -           | -   | -  | -                       | 3,468                               |
| Total General Fund Assistance                                     |                                     |                 |                 | (726,224)                         | 29,646,511       | (29,788,132)              | -           | (867,845)                                       | -  | -                       | 29,788,132                          |
| Special Revenue Fund:   |                                     |                 |                 |                                   |                  |                           |             |   |  |                         |                                     |
| NJ School Development Authority Aid:                              |                                     |                 |                 |                                   |                  |                           |             |   |  |                         |                                     |
| Emergent and Capital Maintenance Needs                            | unavailable                         |                 | 7/1/22-6/30/23  |                                   | 73,425           | -                         | -           | -   | 73,425                                     | -                       | -                                   |
| Total Special Revenue Fund Assistance                             |                                     |                 |                 |                                   | 73,425           | -                         | -           | -   | 73,425                                     | -                       | -                                   |
| Debt Service Fund:  |                                     |                 |                 |                                   |                  |                           |             |   |  |                         |                                     |
| Debt Service Aid  | 495-034-5120-075                    | 520,736         | 7/1/22-6/30/23  | -                                 | 520,736          | (520,736)                 | -           | -   | -  | -                       | 520,736                             |
| Total Debt Service Fund Assistance                                |                                     |                 |                 |                                   | 520,736          | (520,736)                 | -           | -   | -  | -                       | 520,736                             |
| State Department of Community Affairs:                            |                                     |                 |                 |                                   |                  |                           |             |   |  |                         |                                     |
| Special Revenue Fund:   |                                     |                 |                 |                                   |                  |                           |             |   |  |                         |                                     |
| Local Efficiency Achievement Program (LEAP)                       | unavailable                         |                 | 7/1/21-6/30/22  | (74,000)                          | 70,369           | -                         | -           | (3,631)   | -  | -                       | -                                   |
| Total Special Revenue Fund Assistance                             |                                     |                 |                 | (74,000)                          | 70,369           | -                         | -           | (3,631)   | -  | -                       | -                                   |
| State Department of Agriculture:                                  |                                     |                 |                 |                                   |                  |                           |             |   |  |                         |                                     |
| Enterprise Fund:  |                                     |                 |                 |                                   |                  |                           |             |   |  |                         |                                     |
| National School Lunch Program                                     | 100-010-3350-023                    | 13,486          | 7/1/22-6/30/23  | -                                 | 12,743           | (13,486)                  | -           | (743)   | -  | -                       | 13,486                              |
| National School Lunch Program                                     | 100-010-3350-023                    | 32,406          | 7/1/21-6/30/22  | (1,532)                           | 1,532            | -                         | -           | -   | -  | -                       | -                                   |
| Total Enterprise Fund Assistance                                  |                                     |                 |                 | (1,532)                           | 14,275           | (13,486)                  | -           | (743)   | -  | -                       | 13,486                              |
| Total State Financial Assistance                                  |                                     |                 |                 | \$ (801,756)                      | \$ 30,325,316    | \$ (30,322,354)           | \$ -        | \$ (872,219)                                    | \$ 73,425                                  | \$ -                    | \$ 30,322,354                       |
| On-Behalf TPAF Pension Contributions                              |                                     |                 | 7/1/22-6/30/23  |                                   |                  |                           |             |   |  |                         |                                     |
| On-Behalf TPAF Post-Retirement                                    |                                     |                 | 7/1/22-6/30/23  |                                   |                  |                           |             |   |  |                         |                                     |
| On-Behalf TPAF Post-Retirement                                    |                                     |                 | 7/1/22-6/30/23  |                                   |                  |                           |             |   |  |                         |                                     |
| Total State Financial Assistance Reported on Single Audit Summary |                                     |                 |                 |                                   |                  |                           |             |   |  |                         | \$ (22,881,858)                     |



**KINGSWAY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE  
FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Note 1. Basis of Presentation**

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Kingsway Regional High School District. The School District is defined in Note 1 of the basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

**Note 2. Summary of Significant Accounting Policies**

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the following exception: programs recorded in the enterprise fund are presented using the accrual basis of accounting and programs recorded in the capital projects fund are presented using the modified accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The School District did not elect the 10-percent de minimis indirect cost rate as discussed in 2 CFR 200.414.

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the School District for the year ended June 30, 2023. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2023.

**Note 3. Relationship to Basic Financial Statements**

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

**KINGSWAY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE  
FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to *N.J.S.A.* 18A:22-44.2. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more state aid June payments in the current budget year, consistent with *N.J.S.A.* 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(298,658) for the general fund and \$749,968 for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District’s basic financial statements on a GAAP basis are presented as follows:

| <u>Fund</u>                         | <u>Federal</u>      | <u>State</u>         | <u>Total</u>         |
|-------------------------------------|---------------------|----------------------|----------------------|
| General Fund                        | \$ 15,551           | \$ 29,489,474        | \$ 29,505,025        |
| Special Revenue Fund                | 1,490,045           | 124,969              | 1,615,014            |
| Debt Service Fund                   | -                   | 520,736              | 520,736              |
| Food Service Fund                   | 446,534             | 13,486               | 460,020              |
|                                     | <hr/>               | <hr/>                | <hr/>                |
| Total Awards & Financial Assistance | <u>\$ 1,952,130</u> | <u>\$ 30,148,665</u> | <u>\$ 32,100,795</u> |

**Note 4. Relationship to Federal and State Financial Reports**

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

**Note 5. Federal and State Loans Outstanding**

The Kingsway Regional High School District had no loan balances outstanding at June 30, 2023.

**KINGSWAY REGIONAL SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued Unmodified

Internal control over financial reporting:

1) Material weakness(es) identified?      yes   X   no

2) Significant deficiency(ies) identified?      yes   X   none reported

Noncompliance material to financial statements noted?      yes   X   no

**Federal Awards**

Internal control over major programs:

1) Material weakness(es) identified?      yes   X   no

2) Significant deficiency(ies) identified?      yes   X   none reported

Type of auditor's report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported  
in accordance with 2 CFR 200 section .516(a) of Uniform Guidance?      yes   X   no

Identification of major programs:

| <b><u>AIL Number(s)</u></b> | <b><u>FAIN Number(s)</u></b>              | <b><u>Name of Federal Program or Cluster</u></b> |
|-----------------------------|---|--|
| <u>84.425D/84.425U</u>      | <u>S425D200027/</u><br><u>S425U210027</u> | <u>Education Stabilization Fund</u>              |
| <u>84.027A</u>              | <u>H027A220100</u>                        | <u>IDEA Part B, Regular</u>                      |

Dollar threshold used to determine Type A programs \$750,000.00

Auditee qualified as low-risk auditee?   X   yes      no

**KINGSWAY REGIONAL SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Section I - Summary of Auditor's Results (continued)**

**State Financial Assistance**

Dollar threshold used to determine Type A programs \_\_\_\_\_ \$750,000.00 \_\_\_\_\_

Auditee qualified as low-risk auditee? \_\_\_\_\_ X \_\_\_\_\_ yes \_\_\_\_\_ no

Internal control over major programs:

1) Material weakness(es) identified? \_\_\_\_\_ yes \_\_\_\_\_ X \_\_\_\_\_ no

2) Significant deficiency(ies) identified? \_\_\_\_\_ yes \_\_\_\_\_ X \_\_\_\_\_ no

Type of auditor's report issued on compliance for major programs \_\_\_\_\_ Unmodified \_\_\_\_\_

Any audit findings disclosed that are required to be reported  
in accordance with New Jersey OMB's Circular 15-08? \_\_\_\_\_ yes \_\_\_\_\_ X \_\_\_\_\_ no

Identification of major programs:

**State Grant/Project Number(s)**

**Name of State Program**

|                  |                                   |
|------------------|-----------------------------------|
| 495-034-5120-078 | State Aid Public:                 |
| 495-034-5120-089 | Equalization Aid                  |
| 495-034-5120-084 | Special Education Categorical Aid |
|                  | Security Aid                      |
|                  |                                   |
|                  |                                   |
|                  |                                   |

**KINGSWAY REGIONAL SCHOOL DISTRICT  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Section II – Financial Statement Findings**

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

Financial Statement Findings

None.

**KINGSWAY REGIONAL SCHOOL DISTRICT  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Section III – Federal Awards & State Financial Assistance Findings & Questioned Costs**

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08.

**FEDERAL AWARDS**

None.

**STATE FINANCIAL ASSISTANCE**

None.

**KINGSWAY REGIONAL SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

This section identifies the status of prior year findings related to the financial statements, federal awards and state financial assistance that are required to be reported in accordance with *Government Auditing Standards*, Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and New Jersey OMB's Circular 15-08.

Financial Statement Findings:

**Finding No. 2022-001**

Condition

The District expended funds in the capital projects fund prior to the transfer of capital reserve funds to finance the project.

Current Status

The finding has been corrected.

Federal Awards:

No Prior Year Findings.

State Financial Assistance:

No Prior Year Findings.