

KINGSWAY REGIONAL SCHOOL DISTRICT

Woolwich Township, New Jersey
County of Gloucester

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2022



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*

March 7, 2023

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, 2022, 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, 2022. 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

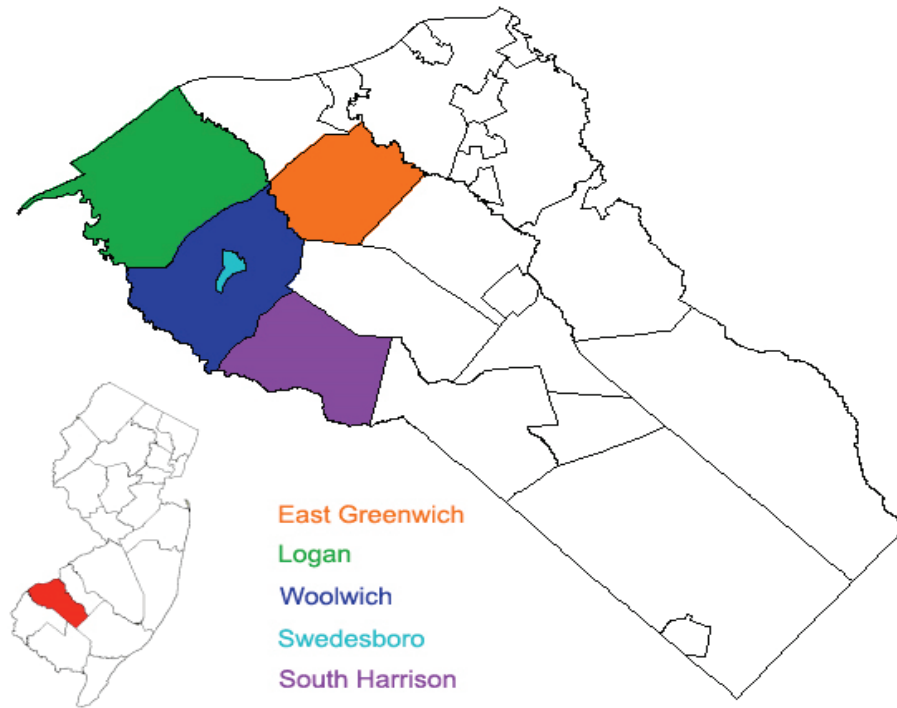
The Kingsway Regional School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (“GASB”) as established by Statement No. 39. All funds and the government-wide financial statements of the District are included within

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 2021-2022 fiscal year with an Average Daily Enrollment (“ADE”) of 2,784.8 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>
2021-22	2,784.8	- 0.03%
2020-21	2,792.8	- 0.02%
2019-20	2,793.6	+ 3.2%
2018-19	2,706.4	+ <1%
2017-18	2,706.2	+1.6%
2016-17	2,663.7	+4.2%

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 Regional 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 Regional 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 will allow for the hiring of an additional 2 teaching positions and a Director of Virtual Programs.

In FY22, the District 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, Kingsway Regional is slated to receive an additional \$3.203 million in state formula aid. These additional funds will get the district to 88.5% of full funding. The district is slated to be fully funded by FY25.

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.



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

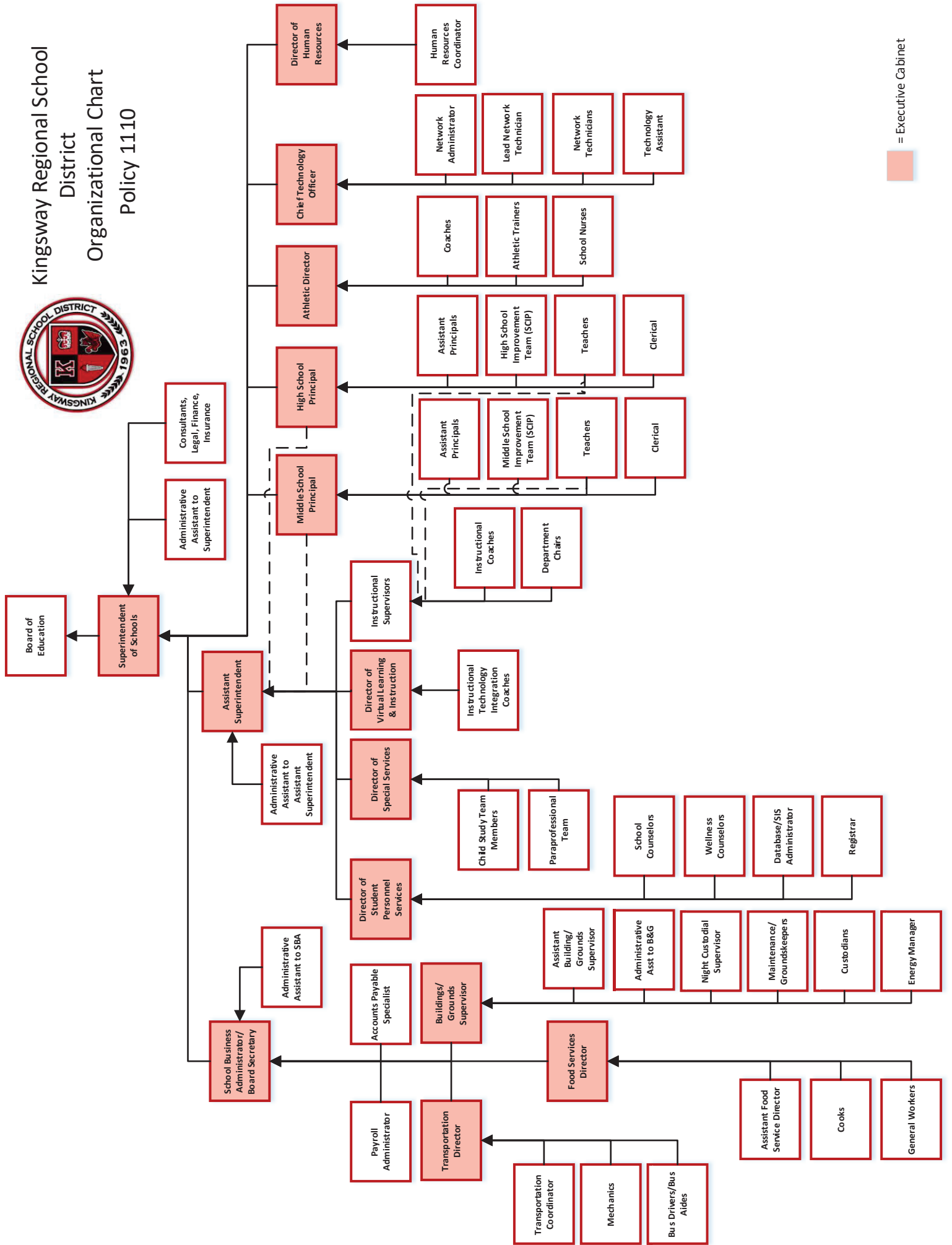


Jason Schimpf
School Business Administrator/
Board Secretary





Kingsway Regional School District Organizational Chart Policy 1110



= Executive Cabinet

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KINGSWAY REGIONAL SCHOOL DISTRICT

ROSTER OF OFFICIALS

JUNE 30, 2022

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Jennifer Cavallaro-Fromm, Vice President	2023
Lauren Boerlin, Vice President	2022
Christie Callahan Comerford	2022
Dr. Michele Blair	2024
Patrick Daley	2022
Christopher Fay	2024
Kelly Bonapfel	2023
Deborah Cunningham	2022
Marilyn O'Rourke-Young	2024
Kristen Lombardo, Logan Township Representative	2022

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, 2022, 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, 2022, 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.

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.

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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 March 7, 2023 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
March 7, 2023

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, 2022
(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, 2022. 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, 2022
(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 2022 compared to fiscal year 2021.

KINGSWAY REGIONAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited) (Continued)

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

Table 1
Summary of Net Position

	June 30, <u>2022</u>	June 30, <u>2021</u>	Increase/ (Decrease)	Percentage <u>Change</u>
Current & Other Assets	\$ 8,405,624	\$ 6,194,930	\$ 2,210,694	35.7%
Capital Assets, Net	<u>56,843,615</u>	<u>57,083,948</u>	(240,333)	-0.4%
Total Assets	<u>65,249,239</u>	<u>63,278,878</u>	1,970,361	3.1%
Deferred Outflow of Resources	<u>2,157,673</u>	<u>3,109,714</u>	(952,041)	-30.6%
Current and other Liabilities	3,663,703	1,985,049	1,678,654	84.6%
Noncurrent Liabilities	<u>37,941,993</u>	<u>43,904,178</u>	(5,962,185)	-13.6%
Total Liabilities	<u>41,605,696</u>	<u>45,889,227</u>	(4,283,531)	-9.3%
Deferred Inflow of Resources	<u>5,133,960</u>	<u>4,932,781</u>	201,179	4.1%
Net Position:				
Net Investment in Capital Assets	28,350,070	26,081,780	2,268,290	8.7%
Restricted	4,210,344	5,108,442	(898,098)	-17.6%
Unrestricted (Deficit)	<u>(11,893,158)</u>	<u>(15,623,638)</u>	3,730,480	-23.9%
Total Net Position	<u>\$ 20,667,256</u>	<u>\$ 15,566,584</u>	<u>\$ 5,100,672</u>	32.8%

KINGSWAY REGIONAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited) (Continued)

Table 2 shows the changes in net position for fiscal year 2022 compared to fiscal year 2021.

Table 2
Summary of Changes in Net Position

	June 30, <u>2022</u>	June 30, <u>2021</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Revenues:				
Program Revenues:				
Charges for Services	\$ 2,743,942	\$ 2,253,469	\$ 490,473	21.8%
Operating Grants & Contributions	11,687,674	13,221,689	(1,534,015)	-11.6%
General Revenues:				
Property Taxes	25,795,748	25,202,241	593,507	2.4%
Federal & State Aid	17,950,130	14,385,438	3,564,692	24.8%
Other General Revenues	4,672,011	4,109,887	562,124	13.7%
Total Revenues	<u>62,849,505</u>	<u>59,172,724</u>	<u>3,676,781</u>	<u>6.2%</u>
Function/Program Expenditures:				
Regular Instruction	17,302,114	15,513,255	1,788,859	11.5%
Special Education Instruction	4,404,340	4,880,177	(475,837)	-9.8%
Other Instruction	3,215	9,015	(5,800)	-64.3%
School Sponsored	1,529,108	1,123,581	405,527	36.1%
Tuition	3,126,967	2,292,524	834,443	36.4%
Student & Instruction Related Services	6,540,861	4,824,262	1,716,599	35.6%
General Administrative	738,019	712,212	25,807	3.6%
School Administrative Services	1,826,077	2,725,114	(899,037)	-33.0%
Central Services	669,261	550,357	118,904	21.6%
Administrative Info. Technology	560,570	601,794	(41,224)	-6.9%
Plant Operations & Maintenance	4,515,969	4,026,537	489,432	12.2%
Pupil Transportation	6,152,826	4,815,052	1,337,774	27.8%
Unallocated Benefits	6,918,817	11,180,310	(4,261,493)	-38.1%
Transfer to Charter Schools	78,550	76,413	2,137	100.0%
Interest & Other Charges	430,960	695,713	(264,753)	-38.1%
Unallocated Depreciation	1,632,925	1,681,705	(48,780)	-2.9%
Food Service	1,281,778	687,462	594,316	86.5%
Community Education Program	36,476	6,856	29,620	432.0%
Total Expenditures	<u>57,748,833</u>	<u>56,402,339</u>	<u>1,346,494</u>	<u>2.4%</u>
Change In Net Position	5,100,672	2,770,385	2,330,287	84.1%
Net Position - Beginning	15,566,584	12,796,199	2,770,385	21.7%
Net Position - Ending	<u>\$ 20,667,256</u>	<u>\$ 15,566,584</u>	<u>\$ 5,100,672</u>	<u>32.8%</u>

Governmental Activities

During the fiscal year 2022, the net position of governmental activities increased by \$4,288,450 or 28.8%. The primary reason for the increase was through the normal operations of the District.

The assets and deferred outflows of the primary government activities exceeded liabilities and deferred inflows by \$19,202,021, with an unrestricted deficit balance of \$(13,213,350). 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, 2022
(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)	\$	(13,213,350)
Add back: PERS Pension Liability		7,012,138
Less: Deferred Outflows related to pensions		(1,169,060)
Add back: Deferred Inflows related to pensions		<u>5,133,960</u>
Unrestricted Net Position (Without GASB 68)	\$	<u>(2,236,312)</u>

Business-type Activities

During the fiscal year 2022, the net position of business-type activities increased by \$812,222 or 124.4%.

The assets and deferred outflows of the business-type activities exceeded liabilities and deferred inflows by \$1,465,235.

General Fund Budgeting Highlights

Final budgeted revenues were \$43,729,762 which was no change from the original budget. Excluding nonbudgeted revenues, the School District’s actual revenues exceeded budgeted revenues by \$1,152,593.

Final budgeted appropriations were \$45,156,964, which was an increase of \$294,921 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 \$5,759,559 at June 30, 2022, a increase of \$913,479 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 \$4,462,851, a decrease of \$249,067 from the prior year.

General fund - During the current fiscal year, the fund balance of the School District’s general fund increased by \$590,787 to \$4,161,384 at June 30, 2022, compared to an increase of \$1,037,482 in fund balance in the prior fiscal year. The primary factor(s) affecting the change in fund balance of the general fund is as follows:

- Excess of budgeted revenues over budget appropriations

Special revenue fund – During the current fiscal year, the fund balance of the School District’s special revenue fund increased by \$9,512 to \$374,853 at June 30, 2022, compared to an increase of \$365,341 in fund balance in the prior fiscal year.

KINGSWAY REGIONAL SCHOOL DISTRICT
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited) (Continued)

Capital projects fund – Due the current fiscal year, the fund balance of the School District’s capital projects fund decreased by \$849,364 to \$(138,917) at June 30, 2022, compared to decrease of \$636,080 in fund balance in the prior fiscal year.

Debt service fund - During the current fiscal year, the fund balance of the School District’s debt service fund decreased by \$2 to \$65,531 at June 30, 2022, compared to an increase of \$65,138 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 \$681,067 to \$1,327,450 at June 30, 2022, compared to an increase of \$256,270 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 \$131,155 to \$137,785 at June 30, 2022, compared to an increase of \$199 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, 2022, totaled \$56,843,615 (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 investment in capital assets for the current fiscal year in the amount of \$2,268,290. This increase is primarily due to the current year depreciation of capital assets being more than the current year additions and the continued paydown of debt. Table 4 shows fiscal 2022 balances compared to 2021.

Table 4
Summary of Capital Assets

<u>Capital Asset (Net of Depreciation):</u>	June 30, <u>2022</u>	June 30, <u>2021</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Land	\$ 2,481,278	\$ 2,481,278	\$ -	0.0%
Construction in Progress	1,129,314	170,463	958,851	562.5%
Land Improvements	4,351,640	4,277,274	74,366	1.7%
Building and Improvements	43,410,698	44,798,192	(1,387,494)	-3.1%
Equipment	5,470,685	5,356,741	113,944	2.1%
	<u>\$ 56,843,615</u>	<u>\$ 57,083,948</u>	<u>\$ (240,333)</u>	<u>-0.4%</u>

Depreciation expense for the year was \$1,648,663. 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.

KINGSWAY REGIONAL SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited) (Continued)

Debt Administration

Long-term debt – At the end of the current fiscal year, the School District had total bonded debt outstanding of \$27,830,000, which is a decrease of \$2,625,000 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.

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 FY19, Kingsway received an additional \$2.129 million in state aid. This additional aid allowed the district to add 21.5 additional positions including 18.5 teachers, 2 educational support professionals, and 1 instructional supervisor.

In FY20, Kingsway Regional received an additional \$1.152 million in state aid. The additional aid allowed for the hiring of additional instructional and support staff members, as well as the completion of our High School track and field renovation.

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 will is scheduled to receive an additional \$3.303 million in state formula aid. These additional funds will get the district to 88.5% of full funding. The district is slated to be fully funded by FY25.

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.

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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, 2022

	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTAL
ASSETS:			
Cash & Cash Equivalents	\$ -	\$ 1,308,432	\$ 1,308,432
Receivables, Net (Note 4)	3,101,544	77,165	3,178,709
Inventory	-	9,606	9,606
Restricted Cash & Cash Equivalents	3,908,877	-	3,908,877
Capital Assets, Non-Depreciable (Note 5)	3,610,592	-	3,610,592
Capital Assets, Depreciable, Net (Note 5)	53,087,980	145,043	53,233,023
Total Assets	63,708,993	1,540,246	65,249,239
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	1,169,060	-	1,169,060
Related to Loss on Debt Refunding	988,613	-	988,613
Total Deferred Outflow of Resources	2,157,673	-	2,157,673
Total Assets and Deferred Outflow of Resources	65,866,666	1,540,246	67,406,912
LIABILITIES:			
Cash Deficit	1,373,736	-	1,373,736
Accounts Payable	1,088,192	6,794	1,094,986
Unearned Revenue	85,642	24,321	109,963
Accrued Interest	335,020	-	335,020
Due to Other Governments	749,998	-	749,998
Noncurrent Liabilities (Note 7):			
Due Within One Year	3,100,680	-	3,100,680
Due Beyond One Year	34,797,417	43,896	34,841,313
Total Liabilities	41,530,685	75,011	41,605,696
DEFERRED INFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	5,133,960	-	5,133,960
Total Deferred Inflows of Resources	5,133,960	-	5,133,960
Total Liabilities and Deferred Inflows of Resources	46,664,645	75,011	46,739,656
NET POSITION:			
Net Investment in Capital Assets	28,205,027	145,043	28,350,070
Restricted For:			-
Capital Projects	3,674,036	-	3,674,036
Debt Service	65,531	-	65,531
Unemployment	95,924	-	95,924
Student Activities	194,313	-	194,313
Scholarship	180,540	-	180,540
Unrestricted	(13,213,350)	1,320,192	(11,893,158)
Total Net Position	\$ 19,202,021	\$ 1,465,235	\$ 20,667,256

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, 2022**

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		TOTAL
		CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	
Governmental Activities:						
Instruction:						
Regular	17,302,114	\$ -	\$ -	\$ (17,302,114)	\$ -	\$ (17,302,114)
Special Education	4,404,340	-	679,648	(3,724,692)	-	(3,724,692)
Other Instructional	3,215	-	-	(3,215)	-	(3,215)
School Sponsored	1,529,108	-	-	(1,529,108)	-	(1,529,108)
Support Services & Undistributed Costs:						
Tuition	3,126,967	-	-	(3,126,967)	-	(3,126,967)
Student & Instruction Related Services	5,317,981	-	873,181	(4,444,800)	-	(4,444,800)
Health Services	539,959	-	-	(539,959)	-	(539,959)
Educational Media Services/School Library	682,920	-	-	(682,920)	-	(682,920)
School Administrative Services	1,826,077	-	-	(1,826,077)	-	(1,826,077)
General Administration	738,019	-	-	(738,019)	-	(738,019)
Central Services	669,261	-	-	(669,261)	-	(669,261)
Administrative Information Technology	560,570	141,896	-	(418,674)	-	(418,674)
Plant Operations & Maintenance	4,515,969	-	-	(4,515,969)	-	(4,515,969)
Pupil Transportation	6,152,826	2,003,395	-	(4,149,431)	-	(4,149,431)
Interest on Long-Term Debt and Other Charges	430,960	-	-	(430,960)	-	(430,960)
Transfer to Charter School	78,550	-	-	(78,550)	-	(78,550)
Unallocated Depreciation	1,632,925	-	-	(1,632,925)	-	(1,632,925)
Unallocated Benefits	6,918,817	-	8,603,039	1,684,222	-	1,684,222
Total Governmental Activities	56,430,579	2,145,291	10,155,868	(44,129,420)	-	(44,129,420)
Business-Type Activities:						
Food Service	1,281,778	431,020	1,531,806	-	681,048	681,048
Community Education Program	36,476	167,631	-	-	131,155	131,155
Total Business-Type Activities	1,318,254	598,651	1,531,806	-	812,203	812,203
Total Primary Government	\$ 57,748,833	\$ 2,743,942	\$ 11,687,674	(44,129,420)	812,203	(43,317,217)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes				23,491,220	-	23,491,220
Taxes Levied for Debt Service				2,304,528	-	2,304,528
Federal & State Aid Not Restricted				17,403,754	-	17,403,754
Federal & State Aid Restricted				546,376	-	546,376
Tuition Charges				2,911,431	-	2,911,431
Rents and Royalties				56,088	-	56,088
Investment Earnings				1,943	19	1,962
Miscellaneous Income				1,702,530	-	1,702,530
Total General Revenues, Special Items, Extraordinary Items & Transfers				48,417,870	19	48,417,889
Change In Net Position				4,288,450	812,222	5,100,672
Net Position - Beginning				14,913,571	653,013	15,566,584
Net Position - Ending				\$ 19,202,021	\$ 1,465,235	\$ 20,667,256

B. Fund Financial Statements

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Governmental Funds

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**KINGSWAY REGIONAL SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2022**

ASSETS & OTHER DEBITS	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL
Cash & Cash Equivalents	\$ -	\$ -	\$ 1,230,451	\$ -	\$ 1,230,451
Receivables from Other Governments	2,024,375	546,426	-	93,212	2,664,013
Due from Other Funds	59,596	-	-	1,376,073	1,435,669
Receivables, Net	92,079	58,279	-	-	150,358
Restricted Cash & Cash Equivalents	3,908,877	-	-	-	3,908,877
	<hr/>				
Total Assets	<u>\$ 6,084,927</u>	<u>\$ 604,705</u>	<u>\$ 1,230,451</u>	<u>\$ 1,469,285</u>	<u>\$ 9,389,368</u>
LIABILITIES & FUND BALANCES					
Liabilities:					
Cash Deficit	\$ 931,589	\$ 49,788	\$ -	\$ 1,403,754	\$ 2,385,131
Unearned Revenue	-	85,642	-	-	85,642
Accounts Payable	698,087	81,757	8,719	-	788,563
Payroll Withholdings and Deductions Payable	172,257	-	-	-	172,257
Due to Other Funds	121,610	12,665	1,360,649	-	1,494,924
	<hr/>				
Total Liabilities	1,923,543	229,852	1,369,368	1,403,754	4,926,517
Fund Balances:					
Restricted for:					
Capital Reserve	3,812,953	-	-	-	3,812,953
Capital Projects	-	-	(2,442,404)	-	(2,442,404)
Debt Service	-	-	-	65,531	65,531
Unemployment	95,924	-	-	-	95,924
Scholarship	-	180,540	-	-	180,540
Student Activities	-	194,313	-	-	194,313
Committed to:					
Other Purposes	613,422	-	2,303,487	-	2,916,909
Unassigned	(360,915)	-	-	-	(360,915)
	<hr/>				
Total Fund Balances	4,161,384	374,853	(138,917)	65,531	4,462,851
	<hr/>				
Total Liabilities & Fund Balances	<u>\$ 6,084,927</u>	<u>\$ 604,705</u>	<u>\$ 1,230,451</u>	<u>\$ 1,469,285</u>	
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 \$99,728,702 and the accumulated depreciation is \$43,030,130.					
					56,698,572
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.					
					1,169,060
					(5,133,960)
					988,613
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.					
					(335,020)
Accrued pension contributions for the June 30, 2022 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.					
					(749,998)
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.					
					<u>(37,898,097)</u>
Net Position of Governmental Activities					
					<u>\$ 19,202,021</u>

**KINGSWAY REGIONAL SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS JUNE 30, 2022
Revenues:					
Local Sources:					0
Local Tax Levy	\$ 23,491,220	\$ -	\$ -	\$ 2,304,528	\$ 25,795,748
Tuition	2,911,431	-	-	-	2,911,431
Rents and Royalties	56,088	-	-	-	56,088
Miscellaneous	697,170	1,007,262	41	-	1,704,473
Total Local Sources	27,155,909	1,007,262	41	2,304,528	30,467,740
State Sources	25,951,108	20,853	-	546,376	26,518,337
Federal Sources	2,586	1,531,976	-	-	1,534,562
Total Revenues	53,109,603	2,560,091	41	2,850,904	58,520,639
Expenditures:					
Current Expense:					
Regular Instruction	13,813,073	-	-	-	13,813,073
Special Education Instruction	3,153,574	419,037	-	-	3,572,611
Other Instruction	3,215	-	-	-	3,215
School Sponsored	1,427,016	-	-	-	1,427,016
Support Services:					
Tuition	2,628,681	498,286	-	-	3,126,967
Attendance Services	134,222	-	-	-	134,222
Health Services	484,368	-	-	-	484,368
Student & Instruction Related Services	3,473,332	873,181	-	-	4,346,513
Educational Media Services/School Library	267,949	-	-	-	267,949
Instructional Staff Training	120,106	-	-	-	120,106
General Administration	633,525	-	-	-	633,525
School Administration	1,706,364	-	-	-	1,706,364
Central Services	669,261	-	-	-	669,261
Administrative Information Technology	418,820	-	-	-	418,820
Plant Operations & Maintenance	3,822,347	-	-	-	3,822,347
Pupil Transportation	4,008,572	-	-	-	4,008,572
Unallocated Employee Benefits	6,669,253	-	-	-	6,669,253
On Behalf TPAF Pension and Social Security Contributions	8,549,940	-	-	-	8,549,940
Debt Service:					
Principal	-	-	-	2,625,000	2,625,000
Interest & Other Charges	116,737	-	-	783,917	900,654
Capital Outlay	340,057	760,075	291,394	-	1,391,526
Total Expenditures	52,440,412	2,550,579	291,394	3,408,917	58,691,302
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	669,191	9,512	(291,353)	(558,013)	(170,663)
Other Financing Sources/(Uses)					
Transfers In	146	-	-	558,011	558,157
Transfers Out	-	-	(558,011)	-	(558,011)
Transfers to Charter School	(78,550)	-	-	-	(78,550)
Total Other Financing Sources/(Uses)	(78,404)	-	(558,011)	558,011	(78,404)
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Financing (Uses)	590,787	9,512	(849,364)	(2)	(249,067)
Fund Balance, July 1	3,570,597	365,341	710,447	65,533	4,711,918
Fund Balances June 30	\$ 4,161,384	\$ 374,853	\$ (138,917)	\$ 65,531	\$ 4,462,851

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, 2022**

Total Net Change in Fund Balances - Governmental Funds (From B-2) \$ (249,067)

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	\$ (1,632,925)	
	Capital Outlay	<u>1,391,526</u>	(241,399)

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		2,625,000
--	----------------	--	-----------

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

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 (-).

404,516

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.

1,754,014

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 (+).

28,060

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 (+).

(69,792)

Change in Net Position of Governmental Activities

\$ 4,288,450

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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, 2022**

ASSETS	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS		GOVERNMENTAL ACTIVITIES		TOTAL
	FOOD SERVICE FUND	COMMUNITY EDUCATION	TRANSPORTATION SERVICES	TECHNOLOGY SERVICES	
Current Assets:					
Cash & Cash Equivalents	\$ 1,163,853	\$ 144,579	\$ -	\$ -	\$ 1,308,432
Interfund Receivable	-	-	56,475	2,780	59,255
Accounts Receivable	77,165	-	248,281	38,886	364,332
Other Receivable	-	-	6	-	6
Inventories	9,606	-	-	-	9,606
Total Current Assets	1,250,624	144,579	304,762	41,666	1,741,631
Noncurrent Assets:					
Equipment	879,232	-	-	-	879,232
Accumulated Depreciation	(734,189)	-	-	-	(734,189)
Total Capital Assets	145,043	-	-	-	145,043
Total Assets	1,395,667	144,579	304,762	41,666	1,886,674
LIABILITIES:					
Current Liabilities:					
Cash Deficit	-	-	177,390	41,666	219,056
Accounts Payable	-	6,794	127,372	-	134,166
Unearned Revenue	24,321	-	-	-	24,321
Total Current Liabilities	24,321	6,794	304,762	41,666	377,543
Noncurrent Liabilities:					
Compensated Absences	43,896	-	-	-	43,896
Total Noncurrent Liabilities	43,896	-	-	-	43,896
Total Liabilities	68,217	6,794	304,762	41,666	421,439
NET POSITION					
Investment in Capital Assets	145,043	-	-	-	145,043
Unrestricted Net Position	1,182,407	137,785	-	-	1,320,192
Total Net Position	\$ 1,327,450	\$ 137,785	\$ -	\$ -	\$ 1,465,235

**KINGSWAY REGIONAL SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS		GOVERNMENTAL ACTIVITIES		TOTAL
	FOOD SERVICE FUND	COMMUNITY EDUCATION	TRANSPORTATION SERVICES	TECHNOLOGY SERVICES	
	Operating Revenue:				
Local Sources:					
Transportation Fees Charged to Other LEA's	\$ -	\$ -	\$ 1,899,364	\$ -	\$ 1,899,364
Daily Sales - Reimbursable Programs	172	-	-	-	172
Daily Sales - Nonreimbursable Programs	370,466	-	-	-	370,466
Vending Machine Sales	7,974	-	-	-	7,974
Special Function	52,408	-	-	-	52,408
Program Fees	-	167,631	-	-	167,631
Service Fees	-	-	104,031	141,896	245,927
Miscellaneous	-	-	-	-	-
Total Operating Revenue	431,020	167,631	2,003,395	141,896	2,743,942
Operating Expenses:					
Salaries & Employee Benefits	595,511	5,774	620,012	141,750	1,363,047
Supplies and Materials	31,466	12,737	109,097	-	153,300
Repairs & Other Expenses	14,967	-	1,898	-	16,865
Other Purchased Services-Contracted	-	-	1,184,373	-	1,184,373
Miscellaneous Purchased Services	-	-	87,587	-	87,587
Depreciation	15,738	-	-	-	15,738
Miscellaneous Expense	460	17,965	428	-	18,853
Cost of Sales - Reimbursable	623,636	-	-	-	623,636
Cost of Sales - Non-Reimbursable	-	-	-	-	-
Total Operating Expenses	1,281,778	36,476	2,003,395	141,750	3,463,399
Operating (Loss)/Gain	(850,758)	131,155	-	146	(719,457)
Nonoperating Revenues:					
State Sources:					
State School Lunch Program	32,406	-	-	-	32,406
Federal Sources:					
National School Lunch Program	1,378,465	-	-	-	1,378,465
Food Distribution Program	95,200	-	-	-	95,200
Emergency Operational Cost Reimbursemen	24,493	-	-	-	24,493
Covid-19 Pandemic EBT Admin Cost	1,242	-	-	-	1,242
Interest & Dividends	19	-	-	-	19
Total Nonoperating Revenues	1,531,825	-	-	-	1,531,825
Net Income/(Loss)	681,067	131,155	-	146	812,368
Other Financing Sources/(Uses):					
Operating Transfer In/(Out):					
Transfer to General Fund	-	-	-	(146)	(146)
Total Other Financing Sources/(Uses)	-	-	-	(146)	(146)
Change in Net Position	681,067	131,155	-	-	812,222
Total Net Position - Beginning	646,383	6,630	-	-	653,013
Total Net Position - Ending	\$ 1,327,450	\$ 137,785	\$ -	\$ -	\$ 1,465,235

**KINGSWAY REGIONAL SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	BUSINESS-TYPE ACTIVITIES		GOVERNMENTAL ACTIVITIES				TOTAL
	ENTERPRISE FUNDS		TRANSPORTATION SERVICES	MAINTENANCE SERVICES	GENERAL ADMINISTRATION	TECHNOLOGY SERVICES	
	FOOD SERVICE FUND	COMMUNITY EDUCATION					
Cash Flows From Operating Activities:							
Receipts from Customers	\$ 426,834	\$ 167,631	\$ 1,990,475	\$ 3	\$ -	\$ 166,917	\$ 2,751,860
Payments to Employees	(423,538)	(5,774)	(542,501)	-	(18,987)	(141,750)	(1,132,550)
Payments for Employee Benefits	(173,287)	-	(77,511)	-	-	-	(250,798)
Payments to Suppliers	(670,487)	(23,908)	(1,325,454)	(74,020)	-	-	(2,093,869)
Net Cash Provided/(Used) by Operating Activities	(840,478)	137,949	45,009	(74,017)	(18,987)	25,167	(725,357)
Cash Flows From Investing Activities:							
Interest & Dividends	19	-	-	-	-	-	19
Purchase of Equipment	(16,804)	-	-	-	-	-	(16,804)
Net Cash Provided by Investing Activities	(16,785)	-	-	-	-	-	(16,785)
Cash Flows From Noncapital Financing Activities:							
Transfer to General Fund	-	-	-	-	-	(146)	(146)
State Sources	32,406	-	-	-	-	-	32,406
Federal Sources	1,507,541	-	-	-	-	-	1,507,541
Net Cash Provided by Noncapital Financing Activities	1,539,947	-	-	-	-	(146)	1,539,801
Net Increase/(Decrease) in Cash & Cash Equivalents	682,684	137,949	45,009	(74,017)	(18,987)	25,021	797,659
Cash and Cash Equivalents, July 1	481,169	6,630	(222,399)	74,017	18,987	(66,687)	291,717
Cash & Cash Equivalents, June 30	\$ 1,163,853	\$ 144,579	\$ (177,390)	\$ -	\$ -	\$ (41,666)	\$ 1,089,376

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

Cash Provided/(Used) by Operating Activities:							
Operating Income/(Loss)	\$ (850,758)	\$ 131,155	\$ -	\$ -	\$ -	\$ 146	\$ (719,457)
Adjustments to Reconcile Operating Income/(Loss) to Cash Provided/(Used) by Operating Activities:							
Depreciation Expense	15,738	-	-	-	-	-	15,738
Change in Assets & Liabilities:							
(Increase)/Decrease in Inventory	42	-	-	-	-	-	42
(Increase)/Decrease in Interfund Receivable	-	-	(56,475)	-	-	(35,960)	(92,435)
(Increase)/Decrease in Accounts Receivable	-	-	(12,920)	3	-	60,981	48,064
(Increase)/Decrease in Accounts Payable	-	6,794	114,404	-	-	-	121,198
Increase/(Decrease) in Interfund Payable	-	-	-	(74,020)	(18,987)	-	(93,007)
Increase/(Decrease) in Unearned Revenue	(4,186)	-	-	-	-	-	(4,186)
Increase/(Decrease) in Compensated Absences	(1,314)	-	-	-	-	-	(1,314)
Total Adjustments	10,280	6,794	45,009	(74,017)	(18,987)	25,021	(5,900)
Net Cash Provided/(Used) by Operating Activities	\$ (840,478)	\$ 137,949	\$ 45,009	\$ (74,017)	\$ (18,987)	\$ 25,167	\$ (725,357)

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KINGSWAY REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

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**KINGSWAY REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

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, 2022 of 2,810 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, 2022.

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, 2022**

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, 2022**

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, 2022**

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, 2022**

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, 2022**

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, 2022**

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, 2022 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, 2022**

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, 2022**

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, 2022.
- 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, 2022**

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, 2022:

Statement No. 87, *Leases*. Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments. The GASB based the new standard on the principle that leases are financing of the right to use an underlying asset. Statement No. 87 is effective for reporting periods beginning after June 15, 2021. Management has determined the impact is immaterial to the School District's financial statements.

Recently Issued Accounting Pronouncements

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

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. Management has not yet determined the potential impact on the District's financial statements.

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.

**KINGSWAY REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

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

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.

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.

**KINGSWAY REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

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, 2022, the District’s bank balance of \$6,057,548 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$	4,915,409
Uninsured and Uncollateralized		1,142,139
	\$	6,057,548

Investments

The School District has no investments at June 30, 2022.

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, 2021 to June 30, 2022 fiscal year is as follows:

**KINGSWAY REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

Note 3. Reserve Accounts (continued)

Beginning Balance, July 1, 2021		\$	2,812,953
Increased by:			
Deposits approved by Board			1,000,000
			3,812,953
Decreased by:			
Budget Withdrawals			-
Ending Balance, June 30, 2022		\$	3,812,953

The June 30, 2022 balance did not exceed the LRFPP balance of local support costs of uncompleted capital projects.

Note 4. Accounts Receivable

Accounts receivable at June 30, 2022 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>	Governmental Funds					Proprietary Funds	
	General Fund	Special Revenue Fund	Debt Service Fund	Internal Service Fund	Total Governmental Activities	Food Service Fund	Total Business-Type Activities
Federal Awards	\$ 871	\$472,426	\$ -	\$ -	\$ 473,297	\$ 66,567	\$ 66,567
State Awards	726,224	74,000	-	-	800,224	1,532	1,532
Other	1,389,365	58,279	93,212	287,167	1,828,023	9,066	9,066
Total	\$ 2,116,460	\$604,705	\$93,212	\$287,167	\$ 3,101,544	\$ 77,165	\$ 77,165

**KINGSWAY REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

5. Capital Assets

Capital assets activity for the year ended June 30, 2022 was as follows:

	Balance July 1, <u>2021</u>	<u>Additions</u>	Retirements <u>and Transfers</u>	Balance June 30, <u>2022</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 2,481,278	\$ -	\$ -	\$ 2,481,278
Construction in Progress	170,463	958,851	-	1,129,314
Total Capital Assets not being depreciated	<u>2,651,741</u>	<u>958,851</u>	-	<u>3,610,592</u>
Capital Assets being depreciated:				
Land Improvements	9,764,454	213,693	-	9,978,147
Buildings and Improvements	76,549,274	-	-	76,549,274
Equipment	9,371,707	218,982	-	9,590,689
Total Capital Assets being depreciated	<u>95,685,435</u>	<u>432,675</u>	-	<u>96,118,110</u>
Less: Accumulated Depreciation:				
Land Improvements	(5,487,180)	(139,327)	-	(5,626,507)
Buildings and Improvements	(31,149,551)	(1,387,495)	-	(32,537,046)
Equipment	(4,760,474)	(106,103)	-	(4,866,577)
Total Accumulated Depreciation	<u>(41,397,205)</u>	<u>(1,632,925)</u>	-	<u>(43,030,130)</u>
Total Capital Assets being depreciated, net	<u>54,288,230</u>	<u>(1,200,250)</u>	-	<u>53,087,980</u>
Total Governmental Activities Capital Assets, net	<u>\$ 56,939,971</u>	<u>\$ (241,399)</u>	<u>\$ -</u>	<u>\$ 56,698,572</u>
	Balance July 1, <u>2021</u>	<u>Additions</u>	Retirements <u>and Transfers</u>	Balance June 30, <u>2022</u>
Business-Type Activities:				
Equipment	\$ 862,428	\$ 16,804	\$ -	\$ 879,232
	<u>862,428</u>	<u>16,804</u>	-	<u>879,232</u>
Less: Accumulated Depreciation:				
Equipment	(718,451)	(15,738)	-	(734,189)
	<u>(718,451)</u>	<u>(15,738)</u>	-	<u>(734,189)</u>
Total Business-Type Activities Capital Assets, net	<u>\$ 143,977</u>	<u>\$ 1,066</u>	<u>\$ -</u>	<u>\$ 145,043</u>

**KINGSWAY REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

Note 6. Interfund Receivables, Payables and Transfers

Individual fund receivables/payables balances at June 30, 2022 are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 59,596	\$ 121,610
Special Revenue Fund	-	12,665
Capital Projects Fund	-	1,360,649
Debt Service Fund	1,376,073	-
Internal Service Fund	59,255	-
	<u>\$ 1,494,924</u>	<u>\$ 1,494,924</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	\$ 146	\$ -
Capital Projects Fund	-	558,011
Debt Service Fund	558,011	-
Internal Service Fund	-	146
	<u>\$ 558,157</u>	<u>\$ 558,157</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.

Note 7. Long-Term Obligations

During the fiscal year-ended June 30, 2022 the following changes occurred in long-term obligations:

	<u>Balance July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2022</u>	<u>Balance Due Within One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 30,455,000	\$ -	\$ 2,625,000	\$ 27,830,000	\$ 2,615,000
Unamortized Bond Premiums	834,710	-	165,629	669,081	165,629
Financed Purchases	1,387,593	-	404,516	983,077	320,051
Compensated Absences	1,334,009	69,792	-	1,403,801	-
Net Pension Liability	9,847,656	-	2,835,518	7,012,138	-
	<u>\$ 43,858,968</u>	<u>\$ 69,792</u>	<u>\$ 6,030,663</u>	<u>\$ 37,898,097</u>	<u>\$ 3,100,680</u>
Business-Type Activities:					
Compensated Absences	\$ 45,210	\$ -	\$ 1,314	\$ 43,896	\$ -
	<u>\$ 45,210</u>	<u>\$ -</u>	<u>\$ 1,314</u>	<u>\$ 43,896</u>	<u>\$ -</u>

**KINGSWAY REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

Note 7. Long-Term Obligations (continued):

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.

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

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

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.

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

Fiscal Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 2,615,000	\$ 715,459	\$ 3,330,459
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
2028-2032	10,130,000	1,401,519	11,531,519
2033-2037	5,870,000	450,857	6,320,857
	<u>\$ 27,830,000</u>	<u>\$ 4,738,313</u>	<u>\$ 32,568,313</u>

**KINGSWAY REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

Note 7. Long-Term Obligations (continued):

Bonds Authorized But Not Issued:

As of June 30, 2022, the District had no authorized but not issued bonds.

B. 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 <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 320,051	\$ 23,288	\$ 343,339
2024	327,632	15,706	343,338
2025	335,394	7,945	343,339
	\$ 983,077	\$ 46,939	\$ 1,030,016

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.

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 1/55th 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 1/60th 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 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

**KINGSWAY REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

Note 8. Pension Plans (continued)

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

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 noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2020, the State's pension contribution was less 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, 2022, the School District reported a liability of \$7,012,138 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2021. 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, 2020, to the measurement date of June 30, 2020. 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, 2021. The School District's proportion measured as of June 30, 2021, was 0.05919%, which was a decrease of 0.00120% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the School District recognized full accrual pension expense/(benefit) of \$(1,060,722) in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2021 measurement date. At June 30, 2022 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, 2022**

Note 8. Pension Plans (continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 110,590	\$ 50,199
Changes of Assumptions	36,519	2,496,367
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	1,847,181
Changes in Proportion and Differences between District Contributions and Proportionate Share of Contributions	271,953	740,213
School District Contributions Subsequent to Measurement Date	749,998	\$ -
	<u>\$ 1,169,060</u>	<u>\$ 5,133,960</u>

\$749,998 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, 2023 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. 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:

Year Ending <u>Dec 31,</u>	<u>Amount</u>
2022	\$ (1,913,571)
2023	(1,408,282)
2024	(826,691)
2025	(560,003)
2026	(6,351)
	<u>\$ (4,714,898)</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, 2022**

Note 8. Pension Plans (continued)

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

	Deferred Outflow of <u>Resources</u>	Deferred Inflow of <u>Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
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	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
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
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
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
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	6.44
June 30, 2015	5.72	5.72
June 30, 2016	5.57	5.57
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

**KINGSWAY REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

Note 8. Pension Plans (continued)

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

Actuarial Assumptions – The collective total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following assumptions:

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00 - 6.00% Based on Years of Service
Thereafter	3.00 - 7.00% Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate Table	Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021
Period of Actuarial Experience	
Study upon which Actuarial Assumptions were Based	July 1, 2014 - June 30, 2018

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, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2021) 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, 2021 are summarized in the following table:

**KINGSWAY REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

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>
Risk Mitigation Strategies	3.00%	3.35%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Investment Grade Credit	8.00%	1.68%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Real Assets	3.00%	7.40%
Real Estate	8.00%	9.15%
U.S. Equity	27.00%	8.09%
Non-U.S. Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Equity	13.00%	11.30%

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. 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, 2021, 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:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's Proportionate Share of the Net Pension Liability	<u>\$ 9,650,904</u>	<u>\$ 7,012,138</u>	<u>\$ 4,910,956</u>

**KINGSWAY REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

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, 2022 and 2021:

Balances at June 30, 2022 and June 30, 2021

	<u>6/30/2022</u>	<u>6/30/2021</u>
Actuarial valuation date (including roll forward)	June 30, 2021	June 30, 2020
Collective Deferred Outflows of Resources	\$ 248,531,007	\$ 1,383,360,202
Collective Deferred Inflows of Resources	7,422,916,600	6,885,726,332
Collective Net Pension Liability	11,972,782,878	16,435,616,426
District's portion of the Plan's total Net Pension Liability	0.05919%	0.06039%

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 Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrprts.shtml.

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 1/55th 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 1/60th 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, 2022**

Note 8. Pension Plans (continued)

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

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 2021, the State's pension contribution was less 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, 2021 was \$66,177,726. The School District's proportionate share was \$-0-.

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. 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, 2021, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.13765%, which was a decrease of 0.01089% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2021, the School District recognized \$1,557,191 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, 2021 measurement date.

Actuarial Assumptions – The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

**KINGSWAY REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

Note 8. Pension Plans (continued)

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

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	1.55 - 4.45% Based on Years of Service
Thereafter	2.75 - 5.65% Based on 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, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

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, 2021) 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:

**KINGSWAY REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

Note 8. Pension Plans (continued)

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	3.35%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Investment Grade Credit	8.00%	1.68%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Real Assets	3.00%	7.40%
Real Estate	8.00%	9.15%
U.S. Equity	27.00%	8.09%
Non-U.S. Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Equity	13.00%	11.30%

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. 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, 2022**

Note 8. Pension Plans (continued)

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

	1% Decrease (4.40%)	Current Discount Rate (5.40%)	1% Increase (6.40%)
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	78,299,304	66,177,726	55,996,362
	<u>\$ 78,299,304</u>	<u>\$ 66,177,726</u>	<u>\$ 55,996,362</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, 2022 and 2021:

Balances at June 30, 2022 and June 30, 2021

	<u>6/30/2022</u>	<u>6/30/2021</u>
Actuarial valuation date (including roll forward)	June 30, 2021	June 30, 2020
Collective Deferred Outflows of Resources	\$ 6,230,825,389	\$ 9,458,881,999
Collective Deferred Inflows of Resources	27,221,092,460	14,424,322,612
Collective Net Pension Liability	48,165,991,182	65,993,498,688
District's portion of the Plan's total Net Pension Liability	0.13765%	0.12676%

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;

**KINGSWAY REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

Note 8. Pension Plans (continued)

C. Defined Contribution Plan (DCRP) (continued)

- 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, 2022, employee contributions totaled \$23,793, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$42,782.

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.

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

**KINGSWAY REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

Note 9. Other Post-Retirement Benefits (continued)

General Information about the OPEB Plan (continued)

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, 2021, was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. 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: \$ 60,007,650,970

Inflation Rate: 2.5%

	TPAF/ABP	PERS	PFRS
Salary Increases:			
Through 2026	1.55 - 4.45% based on years of service	2.00 - 6.00% based on years of service	3.25 - 15.25% based on years of service
Thereafter	2.75 - 5.65% based on years of service	3.00 - 7.00% based on years of service	Not Applicable

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.

**KINGSWAY REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

Note 9. Other Post-Retirement Benefits (continued)

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of actuarial experience studies for the periods July 1, 2015 – June 30, 2018, July 1, 2014 – June 30, 2018, and July 1, 2013 – June 30, 2018 for TPAF, PERS and PFRS, respectively.

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, 2021 was \$79,120,171. The School District's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2021, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. 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, 2021, the State proportionate share of the OPEB Obligation attributable to the School District was 0.1319%, which was an increase of 0.0022% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the State of New Jersey recognized an OPEB expense in the amount of \$5,699,013 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, 2021 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 seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2022 through 2023 are reflected. For PPO the trend is initially 5.74% in fiscal year 2024, increasing to 12.93% in fiscal year 2025 and decreases to 4.50% after 11 years. For HMO the trend is initially 6.01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025 and decreases to 4.50% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate

The discount rate for June 30, 2021 was 2.16%. 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.

Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate

The following presents the total nonemployer OPEB liability as of June 30, 2021, 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:

**KINGSWAY REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

Note 9. Other Post-Retirement Benefits (continued)

Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate (continued)

	June 30, 2021		
	At 1% Decrease (1.16%)	At Discount Rate (2.16%)	At 1% Increase (3.16%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 94,773,544	\$ 79,120,171	\$ 66,794,079
State of New Jersey's Total Non- employer Liability	\$ 71,879,745,555	\$ 60,007,650,970	\$ 50,659,089,138

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, 2021, 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:

	June 30, 2021		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 64,048,035	\$ 79,120,171	\$ 99,360,935
State of New Jersey's Total Nonemployer OPEB Liability	\$ 48,576,388,417	\$ 60,007,650,970	\$ 75,358,991,782

* See Healthcare Cost Trend Assumptions for details of rates.

**KINGSWAY REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

Note 9. Other Post-Retirement Benefits (continued)

Additional Information

Collective balances of the Local Group at June 30, 2021 are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in Proportion Differences between Expected & Actual Experience	\$ -	\$ -
Change in Assumptions	9,045,886,863	18,009,362,976
Contributions Made in Fiscal Year Year Ending 2022 After June 30, 2021 Measurement Date **	10,179,536,966	6,438,261,807
	TBD	-
	\$ 19,225,423,829	\$ 24,447,624,783

** Employer Contributions made after June 30, 2021 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 Ending June 30,		
2022	\$	(1,182,303,041)
2023		(1,182,303,041)
2024		(1,182,303,041)
2025		(1,182,303,041)
2026		(840,601,200)
Thereafter		347,612,410
	\$	(5,222,200,954)

Plan Membership

At June 30, 2020, the Program membership consisted of the following:

	June 30, 2020
Active Plan Members	213,901
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	103,014
	316,915

**KINGSWAY REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

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, 2022 (measurement date June 30, 2021) is as follows:

Total OPEB Liability

Service Cost	\$ 3,217,184,264
Interest Cost	1,556,661,679
Difference Between Expected & Actual Experience	(11,385,071,658)
Change in Benefit Terms	(63,870,842)
Changes of Assumptions	59,202,105
Contributions: Member	39,796,196
Gross Benefit Payments	<u>(1,226,213,382)</u>
Net Change in Total OPEB Liability	(7,802,311,638)
Total OPEB Liability (Beginning)	<u>67,809,962,608</u>
Total OPEB Liability (Ending)	<u>\$ 60,007,650,970</u>
Total Covered Employee Payroll	\$ 14,425,669,769
Net OPEB Liability as a Percentage of Payroll	416%

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 \$5,838,902, \$1,343,339, \$1,364,203 and \$3,496, 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 Comprehensive Annual Financial Report.

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

**KINGSWAY REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

Note 11. Risk Management (continued)

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 Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2021-2022	\$ -	\$ -	\$ -	\$ -	\$ 95,924
2020-2021	-	-	-	-	95,924
2019-2020	-	-	-	-	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, 2022 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 District's 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. Syracusa Benefits Program	The Equitable Life Assurance Society of the US 403(b) ASP
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KINGSWAY REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

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, 2022 is \$1,403,801.

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, 2022 the liability for compensated absences in the proprietary fund types is \$43,896.

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, 2022 was \$0.

**KINGSWAY REGIONAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

Note 18. Fund Balance

General Fund – Of the \$4,161,384 General Fund fund balance at June 30, 2022, \$3,812,953 has been reserved in the Capital Reserve Account; \$613,422 has been reserved for encumbrances; \$95,924 has been reserved in the Unemployment Reserve and \$(369,915) is unassigned.

Special Revenue Fund- Of the \$374,853 Special Revenue Fund fund balance at June 30,2022, \$180,540 has been restricted for Scholarships; \$194,313 is restricted for Student Activities.

Capital Projects Fund – Of the \$(138,917) Capital Projects Fund fund balance at June 30, 2022, \$(2,442,404) is restricted for capital projects; \$2,303,487 has been reserved for encumbrances.

Debt Service Fund – Of the \$65,531 Debt Service Fund fund balance at June 30, 2022, \$65,531 is restricted for future debt service payments.

Note 19. Deficit in Net Position

Unrestricted Net Position – The School District had a deficit in unrestricted net position in the amount of \$(13,213,350) at June 30, 2022. The primary causes of the deficit are the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employees' Retirement System (PERS) as of June 30, 2022. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

Note 20. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2022 and March 7, 2023, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items other than the below have come to the attention of the School District that would require disclosure.

Equipment Purchase Agreement

In July 2022, the District entered into a Purchase Agreement for \$1,035,000 for various District upgrades and instructional/classroom equipment. The principal payments run through December 1, 2026 and the loan was issued with an interest rate of 3.070%.

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, 2022**

ACCOUNT NUMBERS	JUNE 30, 2022				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Revenues:						
Local Tax Levy	10-1210	\$ 23,491,220	\$ -	\$ 23,491,220	\$ 23,491,220	\$ -
Tuition From Other LEAs Within the State	10-1320	2,911,432	-	2,911,432	2,911,431	(1)
Rents and Royalties	10-1910	10,000	-	10,000	56,088	46,088
Interest Earned on Capital Reserve		500	-	500	-	(500)
Miscellaneous Revenues	10-1XXX	185,463	-	185,463	697,170	511,707
Total Local Sources		26,598,615	-	26,598,615	27,155,909	557,294
Federal Sources:						
Medicaid Reimbursement (SEMI)	10-4200	29,855	-	29,855	2,586	(27,269)
Total Federal Sources		29,855	-	29,855	2,586	(27,269)
State Sources:						
Equalization Aid	10-3176	13,051,854	-	13,051,854	13,051,854	-
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	150,000	-	150,000	597,149	447,149
Securing Our Children's Future Bond Act	10-3256	-	-	-	112,489	112,489
Other State Aid	10-3xxx	-	-	-	62,930	62,930
Nonbudgeted:						
On-Behalf TPAF Pension Contribution		-	-	-	5,838,902	5,838,902
On-Behalf Post Retirement Medical Contribution		-	-	-	1,364,203	1,364,203
On-Behalf Long-Term Disability Insurance		-	-	-	3,496	3,496
Reimbursed TPAF Social Security Contribution		-	-	-	1,343,339	1,343,339
Total State Sources		17,101,292	-	17,101,292	26,273,800	9,172,508
Total Revenues		43,729,762	-	43,729,762	53,432,295	9,702,533
Expenditures:						
Current Expense:						
Instruction - Regular Programs:						
Salaries of Teachers:						
Grades 6 - 8	11-130-100-101	4,092,937	(237,700)	3,855,237	3,848,786	6,451
Grades 9 - 12	11-140-100-101	7,796,081	48,500	7,844,581	7,841,366	3,215
Home Instruction:						
Salaries of Teachers	11-150-100-101	40,000	(10,500)	29,500	23,275	6,225
Purchased Professional - Educational Services	11-150-100-320	33,000	(17,985)	15,015	12,956	2,059
Other Purchased Services	11-150-100-500	2,000	-	2,000	7	1,993
Regular Programs - Undistributed Instruction:						
Other Salaries for Instruction	11-190-100-106	116,727	(28,650)	88,077	85,544	2,533
Purchased Professional - Educational Services	11-190-100-320	266,830	295,615	562,445	556,432	6,013
Purchased Technical Services	11-190-100-340	145,922	22,025	167,947	156,501	11,446
Other Purchased Services	11-190-100-500	420,644	4,824	425,468	425,458	10
General Supplies	11-190-100-610	846,831	2,701	849,532	790,792	58,740
Textbooks	11-190-100-640	79,582	(23,925)	55,657	53,386	2,271
Other Objects	11-190-100-890	36,353	(13,829)	22,524	18,570	3,954
Total Regular Programs		13,876,907	41,076	13,917,983	13,813,073	104,910

**KINGSWAY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	ACCOUNT NUMBERS	JUNE 30, 2022				POSITIVE/ (NEGATIVE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL
Multiple Disabilities:						
Salaries of Teachers	11-212-100-101	359,023	(73,500)	285,523	284,786	737
Other Salaries for Instruction	11-212-100-106	103,028	42,500	145,528	136,079	9,449
Purchased Professional - Educational Services	11-212-100-320	7,540	1,049	8,589	7,429	1,160
Other Purchased Services	11-212-100-500	1,500	(200)	1,300	298	1,002
General Supplies	11-212-100-610	10,850	399	11,249	10,775	474
Textbooks	11-212-100-640	3,150	-	3,150	2,843	307
Other Objects	11-212-100-800	-	3,500	3,500	1,745	1,755
Total Multiple Disabilities		485,091	(26,252)	458,839	443,955	14,884
Resource Room:						
Salaries of Teachers	11-213-100-101	2,625,920	(170,700)	2,455,220	2,450,726	4,494
Other Salaries for Instruction	11-213-100-106	303,385	(100,100)	203,285	199,025	4,260
Purchased Professional-Educational Services	11-213-100-320	13,980	(400)	13,580	8,300	5,280
Other Purchased Services	11-213-100-500	2,000	-	2,000	298	1,702
General Supplies	11-213-100-610	17,250	(7,321)	9,929	9,022	907
Other Objects	11-213-100-800	-	400	400	377	23
Total Resource Room		2,962,535	(278,121)	2,684,414	2,667,748	16,666
Special Education - Home Instruction:						
Salaries of Teachers	11-219-100-101	2,000	-	2,000	-	2,000
Purchased Professional Educational Services	11-219-100-320	45,000	5,531	50,531	41,542	8,989
Other Purchased Services	11-219-100-500	400	-	400	329	71
Total Special Education - Home Instruction		47,400	5,531	52,931	41,871	11,060
Total Special Education		3,495,026	(298,842)	3,196,184	3,153,574	42,610
Basic Skills/Remedial:						
General Supplies	11-230-100-610	3,437	117	3,554	3,215	339
Total Basic Skills/Remedial		3,437	117	3,554	3,215	339
School Sponsored Cocurricular Activities:						
Salaries	11-401-100-100	163,615	41,000	204,615	204,036	579
Other Purchased Services	11-401-100-500	47,160	(8,290)	38,870	33,921	4,949
Supplies and Materials	11-401-100-600	79,240	585	79,825	68,329	11,496
Other Objects	11-401-216-800	2,300	-	2,300	1,135	1,165
Total School Sponsored Cocurricular Activities		292,315	33,295	325,610	307,421	18,189
School Sponsored Athletics - Instruction:						
Salaries	11-402-100-100	593,772	70,775	664,547	660,009	4,538
Other Purchased Services	11-402-100-500	224,190	(41,035)	183,155	136,418	46,737
General Supplies	11-402-100-610	208,350	77,598	285,948	261,649	24,299
Other Objects	11-402-216-800	85,450	(6,612)	78,838	57,608	21,230
Total School Sponsored Athletics Instruction		1,111,762	100,726	1,212,488	1,115,684	96,804
Before/After School Programs:						
Salaries	11-421-100-101	-	7,500	7,500	3,911	3,589
Total Before/Afterschool Programs		-	7,500	7,500	3,911	3,589
Total Instruction		18,779,447	(116,128)	18,663,319	18,396,878	266,441

**KINGSWAY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	ACCOUNT NUMBERS	JUNE 30, 2022				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Undistributed Expenditures:						
Instruction :						
Tuition to Other LEAs Within the State - Regular	11-000-100-561	15,000	15,048	30,048	25,758	4,290
Tuition to Other LEAs Within the State - Special	11-000-100-562	50,000	(5,446)	44,554	44,554	-
Tuition to County Vocational School District - Regul	11-000-100-563	636,575	(29,518)	607,057	604,330	2,727
Tuition to County Vocational School District - Speci	11-000-100-564	78,475	12,000	90,475	89,487	988
Tuition to CSSD & Regional Day School	11-000-100-565	1,070,750	(169,245)	901,505	813,779	87,726
Tuition to Private School for the Handicapped - State	11-000-100-566	1,000,573	93,156	1,093,729	1,010,849	82,880
Tuition to Private School for the Disabled & Other L	11-000-100-567	87,500	(47,576)	39,924	39,924	-
Total Undistributed Expenditures - Instruction		2,938,873	(131,581)	2,807,292	2,628,681	178,611
Attendance & Social Work Services:						
Salaries	11-000-211-100	132,210	1,680	133,890	133,884	6
Purchased Professional & Technical Services	11-000-211-300	1,500	(1,500)	-	-	-
Supplies and Materials	11-000-211-600	750	(180)	570	338	232
Total Attendance & Social Work Services		134,460	-	134,460	134,222	238
Health Services:						
Salaries	11-000-213-100	387,027	34,420	421,447	416,686	4,761
Purchased Professional & Technical Services	11-000-213-300	48,895	8,065	56,960	51,771	5,189
Other Purchased Services	11-000-213-500	3,275	150	3,425	3,100	325
Supplies and Materials	11-000-213-600	19,300	(2,285)	17,015	12,535	4,480
Other Objects	11-000-213-800	1,100	-	1,100	276	824
Total Health Services		459,597	40,350	499,947	484,368	15,579
Other Support Services - Students - Related Services:						
Salaries	11-000-216-100	60,000	70	60,070	60,051	19
Purchased Professional Educational Services	11-000-216-320	113,750	(9,477)	104,273	102,425	1,848
Supplies and Materials	11-000-216-600	1,000	-	1,000	1,000	-
Total Other Support Services-Students-Related Services		174,750	(9,407)	165,343	163,476	1,867
Other Support Services - Students - Extra Services:						
Salaries	11-000-217-100	289,478	(4,100)	285,378	282,872	2,506
Purchased Professional Educational Services	11-000-217-320	382,000	125,559	507,559	506,272	1,287
Supplies and Materials	11-000-217-600	11,000	(3,400)	7,600	2,324	5,276
Total Other Support Services - Students - Extra Services		682,478	118,059	800,537	791,468	9,069
Other Support Services - Students - Regular:						
Salaries of Other Professional Staff	11-000-218-104	804,538	(20,205)	784,333	772,477	11,856
Salaries of Secretarial & Clerical Assistants	11-000-218-105	129,970	3,240	133,210	128,413	4,797
Purchased Professional Educational Services	11-000-218-320	50,550	(2,550)	48,000	36,698	11,302
Other Purchased Professional & Technical Services	11-000-218-390	54,200	(2,075)	52,125	51,544	581
Other Purchased Services	11-000-218-500	12,215	(1,250)	10,965	9,025	1,940
Supplies and Materials	11-000-218-600	1,750	1,268	3,018	2,384	634
Other Objects	11-000-218-800	6,020	-	6,020	2,806	3,214
Total Other Support Services - Students - Regular		1,059,243	(21,572)	1,037,671	1,003,347	34,324
Other Support Services - Students - Special Services:						
Salaries of Other Professional Staff	11-000-219-104	626,607	20,984	647,591	647,547	44
Salaries of Secretarial & Clerical Assistants	11-000-219-105	67,889	596	68,485	68,396	89
Purchased Professional Educational Services	11-000-219-320	20,000	6,927	26,927	24,592	2,335
Other Purchased Professional & Technical Services	11-000-219-390	22,700	-	22,700	22,623	77
Other Purchased Services	11-000-219-500	10,990	(3,500)	7,490	7,212	278
Supplies and Materials	11-000-219-600	9,224	5	9,229	9,132	97
Total Other Support Services-Students-Special Services		757,410	25,012	782,422	779,502	2,920

**KINGSWAY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	ACCOUNT NUMBERS	JUNE 30, 2022				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Improvement of Instruction Services/Other						
Support Services - Instruction Staff:						
Salaries of Supervisor of Instruction	11-000-221-102	510,946	(4,050)	506,896	501,549	5,347
Salaries of Other Professional Staff	11-000-221-104	84,055	(17,100)	66,955	58,967	7,988
Salaries of Secretarial & Clerical Assistants	11-000-221-105	25,890	-	25,890	25,826	64
Unused Vacation Payment to Term/Retired Staff	11-000-221-199		8,280	8,280	8,278	2
Purchased Professional - Educational Services	11-000-221-320	123,200	3,430	126,630	110,692	15,938
Other Purchased Services	11-000-221-500	33,800	(6,200)	27,600	14,986	12,614
Supplies and Materials	11-000-221-600	13,000	-	13,000	9,326	3,674
Other Objects	11-000-221-800	10,900	(2,200)	8,700	5,915	2,785
Total Improvement of Instruction Services/Other Support Services Instructional Staff		801,791	(17,840)	783,951	735,539	48,412
Educational Media Services/School Library:						
Salaries	11-000-222-100	216,211	1,535	217,746	217,668	78
Purchased Professional & Technical Services	11-000-222-300	21,094	(30)	21,064	20,864	200
Other Purchased Services	11-000-222-500	2,519	30	2,549	1,132	1,417
Supplies and Materials	11-000-222-600	32,606	(1,069)	31,537	24,554	6,983
Other Objects	11-000-222-800	3,805	-	3,805	3,731	74
Total Educational Media Services/School Library		276,235	466	276,701	267,949	8,752
Support Services Instructional Staff Training Service:						
Salaries of Supervisors of Instruction	11-000-223-102	76,954	4,050	81,004	81,000	4
Salaries of Other Professional Staff	11-000-223-104	4,000	-	4,000	2,547	1,453
Salaries of Secretarial & Clerical Assistants	11-000-223-105	25,890	-	25,890	25,826	64
Other Purchased Professional	11-000-223-320	500	750	1,250	-	1,250
Other Purchased Services	11-000-223-500	47,115	(20,535)	26,580	10,733	15,847
Total Support Services Instructional Staff Training		154,459	(15,735)	138,724	120,106	18,618
Support Services General Administration:						
Salaries	11-000-230-100	271,705	(14,000)	257,705	257,694	11
Legal Services	11-000-230-331	50,000	15,500	65,500	62,740	2,760
Audit Services	11-000-230-332	38,000	2,726	40,726	38,346	2,380
Architectural/Engineering Services	11-000-230-334	2,500	(500)	2,000	1,500	500
Purchased Technical Services	11-000-230-340	4,800	-	4,800	4,685	115
Communications/Telephone	11-000-230-530	123,495	(35,320)	88,175	78,162	10,013
BOE Other Purchased Services	11-000-230-585	18,500	(5,060)	13,440	13,144	296
Other Purchased Services	11-000-230-590	82,800	20,178	102,978	101,108	1,870
Supplies and Materials	11-000-230-600	5,000	(250)	4,750	4,672	78
BOE In-House Training Supplies	11-000-230-630	500	-	500	115	385
Judgements Against School District	11-000-230-820		56,727	56,727	56,727	-
Miscellaneous Expenditures	11-000-230-890	2,100	500	2,600	2,442	158
BOE Membership Dues & Fees	11-000-230-895	12,500	-	12,500	12,190	310
Total Support Services General Administration		611,900	40,501	652,401	633,525	18,876
Support Services School Administration:						
Salaries of Principals & Assistant Principals	11-000-240-103	836,963	11,025	847,988	843,315	4,673
Salaries of Other Professional Staff	11-000-240-104	405,317	53,200	458,517	451,645	6,872
Salaries of Secretarial & Clerical Assistants	11-000-240-105	267,683	25,925	293,608	287,705	5,903
Other Salaries	11-000-240-110	-	9,900	9,900	9,820	80
Purchased Professional & Technical Services	11-000-240-300	18,250	(2,285)	15,965	13,896	2,069
Other Purchased Services	11-000-240-500	34,420	(12,271)	22,149	22,092	57
Supplies and Materials	11-000-240-600	39,250	(7,132)	32,118	28,792	3,326
Other Objects	11-000-240-800	40,559	12,228	52,787	49,099	3,688
Total Support Services School Administration		1,642,442	90,590	1,733,032	1,706,364	26,668

**KINGSWAY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	ACCOUNT NUMBERS	JUNE 30, 2022			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Central Services:						
Salaries	11-000-251-100	537,756	-	537,756	536,404	1,352
Purchased Professional Services	11-000-251-330	4,500	-	4,500	3,000	1,500
Purchased Technical Services	11-000-251-340	87,800	25,130	112,930	112,788	142
Miscellaneous Purchased Services	11-000-251-592	14,200	(2,000)	12,200	8,659	3,541
Supplies & Materials	11-000-251-600	6,500	2,000	8,500	7,296	1,204
Miscellaneous Expenditures	11-000-251-890	1,678	-	1,678	1,114	564
Total Central Services		652,434	25,130	677,564	669,261	8,303
Administrative Information Technology:						
Salaries	11-000-252-100	259,020	(4,800)	254,220	247,189	7,031
Purchased Technical Services	11-000-252-340	126,350	17,000	143,350	139,545	3,805
Other Purchased Services	11-000-252-500	3,300	(1,700)	1,600	-	1,600
Supplies and Materials	11-000-252-600	30,000	4,700	34,700	31,391	3,309
Other Objects	11-000-252-800	850	-	850	695	155
Total Administrative Information Technology		419,520	15,200	434,720	418,820	15,900
Allowance Maintenance for School Facilities:						
Salaries	11-000-261-100	296,972	46,960	343,932	339,196	4,736
Maintenance Services	11-000-261-420	221,500	139,523	361,023	329,004	32,019
General Supplies	11-000-261-610	95,000	45,590	140,590	124,552	16,038
Other Objects	11-000-261-800	4,500	512	5,012	4,437	575
Total Allowance Maintenance for School Facilities		617,972	232,585	850,557	797,189	53,368
Other Operation & Maintenance of Plant Services:						
Salaries	11-000-262-100	1,207,548	(26,560)	1,180,988	1,148,441	32,547
Purchased Professional & Technical Services	11-000-262-300	87,000	12,433	99,433	85,430	14,003
Cleaning, Repair & Maintenance Services	11-000-262-420	3,000	15,600	18,600	18,082	518
Other Purchased Property Services	11-000-262-490	40,000	9,781	49,781	45,880	3,901
Insurance	11-000-262-520	170,500	(9,000)	161,500	161,378	122
Miscellaneous Purchased Services	11-000-262-590	38,084	-	38,084	37,505	579
General Supplies	11-000-262-610	110,000	30,938	140,938	136,222	4,716
Energy (Natural Gas)	11-000-262-621	160,000	47,865	207,865	205,425	2,440
Energy (Electricity)	11-000-262-622	590,000	80,000	670,000	587,204	82,796
Other Objects	11-000-262-800	1,000	-	1,000	606	394
Total Other Operation & Maintenance of Plant Services		2,407,132	161,057	2,568,189	2,426,173	142,016
Care & Upkeep of Grounds						
Salaries	11-000-263-100	279,458	(10,000)	269,458	247,068	22,390
Purchased Professional & Technical Services	11-000-263-300	33,000	16,239	49,239	45,917	3,322
Cleaning, Repair & Maintenance Services	11-000-263-420	5,000	25,324	30,324	30,085	239
General Supplies	11-000-263-610	62,500	24,507	87,007	79,638	7,369
Total Care & Upkeep of Grounds		379,958	56,070	436,028	402,708	33,320
Security						
Salaries	11-000-266-100	53,762	(11,300)	42,462	42,435	27
Purchased Professional & Technical Services	11-000-266-300	160,000	(4,700)	155,300	151,891	3,409
Supplies and Materials	11-000-266-610	9,000	(6,800)	2,200	1,951	249
Total Security		222,762	(22,800)	199,962	196,277	3,685

**KINGSWAY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	ACCOUNT NUMBERS	JUNE 30, 2022				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Student Transportation Services:						
Salaries of Non-Instructional Aides	11-000-270-107	36,000	725	36,725	33,873	2,852
Salaries for Pupil Transportation (Between Home & School) - Regular	11-000-270-160	485,315	80,330	565,645	565,644	1
Salaries for Pupil Transportation (Between Home & School) - Special	11-000-270-161	45,000	(8,475)	36,525	35,999	526
Salaries for Pupil Transportation (Other Than Between Home & School)	11-000-270-162	174,500	(125,000)	49,500	48,779	721
Other Purchased Professional & Technical Services	11-000-270-390	6,315	-	6,315	458	5,857
Cleaning, Repair & Maintenance	11-000-270-420	5,750	-	5,750	2,358	3,392
Lease Purchase Payments - School Buses	11-000-270-443	51,501	-	51,501	51,501	-
Aid in Lieu of Payments	11-000-270-503	225,000	(21,043)	203,957	186,912	17,045
Contracted Services (Between Home & School) - Ven	11-000-270-511	1,301,061	82,841	1,383,902	1,383,765	137
Contracted Services (Other Than Between School) - Vendors	11-000-270-512	19,400	158,916	178,316	175,133	3,183
Contracted Services (Special Education) - Vendors	11-000-270-514	51,604	25,000	76,604	75,348	1,256
Contracted Services (Special Education) - Joint Agree	11-000-270-515	18,500	(8,500)	10,000	8,691	1,309
Contracted Services (Regular Education Students) - ESC	11-000-270-517	279,489	(14,000)	265,489	265,158	331
Contracted Services (Special Education Students) - ES	11-000-270-518	1,015,546	11,600	1,027,146	987,440	39,706
Miscellaneous Purchased Services - Transportation	11-000-270-593	52,120	8,400	60,520	50,042	10,478
Supplies and Materials	11-000-270-610	7,500	(1,500)	6,000	4,992	1,008
Transportation Supplies	11-000-270-615	150,000	(16,618)	133,382	132,479	903
Other Objects	11-000-270-800	500	-	500	-	500
Total Student Transportation Services		3,925,101	172,676	4,097,777	4,008,572	89,205
Support Services - General Administration:						
Other Employee Benefits	11-000-230-290	1,800	(1,800)	-	-	-
Total Support Services - General Administration		1,800	(1,800)	-	-	-
Required Maintenance for School Facilities:						
Other Employee Benefits	11-000-261-290	1,240	(1,240)	-	-	-
Total Required Maintenance for School Facilities		1,240	(1,240)	-	-	-
Custodial Services						
Other Employee Benefits	11-000-262-290	10,460	(10,460)	-	-	-
Total Custodial Services		10,460	(10,460)	-	-	-
Care and Upkeep of Grounds						
Other Employee Benefits	11-000-263-290	930	(930)	-	-	-
Total Care and Upkeep of Grounds		930	(930)	-	-	-
Student Transportation Services:						
Other Employee Benefits	11-000-270-290	5,425	(5,425)	-	-	-
Total Student Transportation Services		5,425	(5,425)	-	-	-
Total Allocated Benefits		19,855	(19,855)	-	-	-

**KINGSWAY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	ACCOUNT NUMBERS	JUNE 30, 2022				POSITIVE/ (NEGATIVE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL
Unallocated Benefits - Employee Benefits:						
Social Security	11-000-291-220	511,828	34,500	546,328	545,362	966
Other Retirement Contributions - PERS	11-000-291-241	663,500	(69,800)	593,700	593,203	497
Workmen's Compensation	11-000-291-260	219,700	(40,900)	178,800	178,411	389
Health Benefits	11-000-291-270	5,305,243	(393,552)	4,911,691	4,911,305	386
Tuition Reimbursement	11-000-291-280	80,000	20,122	100,122	80,703	19,419
Other Employee Benefits	11-000-291-290	353,000	(2,872)	350,128	340,199	9,929
Unused Sick Payment to Terminated/Retired Staff	11-000-291-299	45,000	(24,835)	20,165	20,070	95
Total Unallocated Benefits - Employee Benefits		7,178,271	(477,337)	6,700,934	6,669,253	31,681
Nonbudgeted:						
On-Behalf TPAF Pension Contribution		-	-	-	5,838,902	(5,838,902)
On-Behalf Post Retirement Medical Contribution		-	-	-	1,364,203	(1,364,203)
On-Behalf Long-Term Disability Insurance		-	-	-	3,496	(3,496)
Reimbursed TPAF Social Security Contribution		-	-	-	1,343,339	(1,343,339)
Total Undistributed Expenditures		25,516,643	261,569	25,778,212	33,586,740	(7,808,528)
Total Expenditures - Current Expense		44,296,090	145,441	44,441,531	51,983,618	(7,542,087)
Capital Outlay:						
Equipment:						
School-Sponsored & Other Instructional Programs	12-4xx-100-730	2,500	-	2,500	-	2,500
School Administration	12-000-240-730	4,055	(4,000)	55	-	55
Administrative Information Technology	12-000-252-730	40,000	-	40,000	39,973	27
Custodial Services	12-000-262-730	76,000	-	76,000	74,950	1,050
Care and Upkeep of Grounds	12-000-263-730	101,000	5,000	106,000	104,059	1,941
Non-Instructional Equipment	12-000-270-732	40,000	118,000	158,000	104,125	53,875
Total Equipment		263,555	119,000	382,555	323,107	59,448
Facilities Acquisition & Construction Services:						
Architectural/Engineering Services	12-000-400-334	-	38,000	38,000	16,950	21,050
Construction Services	12-000-400-450	137,091	(38,000)	99,091	-	99,091
Assessment for Debt Service on SDA Funding	12-000-400-896	116,737	-	116,737	116,737	-
Total Facilities Acquisition & Construction Services		253,828	-	253,828	133,687	120,141
Interest Deposit to Capital Reserve	10-604	500	-	500	-	500
Total Capital Outlay		517,883	119,000	636,883	456,794	180,089
Total Expenditures		44,813,973	264,441	45,078,414	52,440,412	(7,361,998)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures		(1,084,211)	(264,441)	(1,348,652)	991,883	2,340,535
Other Financing Sources/(Uses):						
Operating Transfers In/(Out)		-	-	-	146	146
Transfer of Funds to Charter Schools		(48,070)	(30,480)	(78,550)	(78,550)	-
Total Other Financing Sources/(Uses)		(48,070)	(30,480)	(78,550)	(78,404)	146

**KINGSWAY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

ACCOUNT NUMBERS	JUNE 30, 2022				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Financing Sources/(Uses)	(1,132,281)	(294,921)	(1,427,202)	913,479	2,340,681
Fund Balance, July 1	4,846,080	-	4,846,080	4,846,080	-
Fund Balances, June 30	<u>\$ 3,713,799</u>	<u>\$ (294,921)</u>	<u>\$ 3,418,878</u>	<u>\$ 5,759,559</u>	<u>\$ 2,340,681</u>

RECAPITULATION OF BUDGET TRANSFERS

Prior Year Encumbrances	<u>\$ 294,921</u>
Total	<u><u>\$ 294,921</u></u>

RECAPITULATION OF FUND BALANCE:

Restricted for:	
Capital Reserve	3,812,953
Unemployment Compensation	95,924
Committed to:	
Year-End Encumbrances	613,422
Unassigned Fund Balance	<u>1,237,260</u>
Subtotal	5,759,559
Reconciliation to Governmental Fund Statements (GAAP):	
Last Two State Aid Payments Not Recognized on GAAP Basis	<u>(1,598,175)</u>
Fund Balance Per Governmental Funds (GAAP)	<u><u>\$ 4,161,384</u></u>

**KINGSWAY REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	JUNE 30, 2022				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:					
Federal Sources	\$ 1,104,073	\$ 1,625,415	\$ 2,729,488	\$ 2,133,171	\$ (596,317)
State Sources	-	146,822	146,822	145,822	(1,000)
Local Sources	-	27,372	27,372	1,009,674	982,302
Total Revenues	1,104,073	1,799,609	2,903,682	3,288,667	384,985
Expenditures:					
Instruction:					
Salaries	213,876	112,186	326,062	230,994	95,068
Purchased Professional Services	-	17,151	17,151	17,147	4
Tuition	429,285	69,001	498,286	498,286	-
Other Purchased Services	-	160,667	160,667	160,667	-
Supplies & Materials	460,912	(450,347)	10,565	10,229	336
Total Instruction	1,104,073	(91,342)	1,012,731	917,323	95,408
Support Services:					
Salaries of Other Professional Staff	-	405,521	405,521	72,561	332,960
Benefits	-	188,402	188,402	84,132	104,270
Purchased Professional Services	-	289,617	289,617	239,016	50,601
Other Purchased Service	-	120,367	120,367	108,285	12,082
Supplies	-	2,000	2,000	-	2,000
Scholarship	-	-	-	3,804	(3,804)
Student Activities	-	-	-	968,990	(968,990)
Total Support Services	-	1,005,907	1,005,907	1,476,788	(470,881)
Facilities Acquisition & Construction Services:					
Construction	-	885,044	885,044	885,044	-
Total Facilities Acquisition & Construction Services	-	885,044	885,044	885,044	-
Total Expenditures	1,104,073	1,799,609	2,903,682	3,279,155	(375,473)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	-	-	-	9,512	9,512
Fund Balance, July 1	365,341	-	365,341	365,341	-
Fund Balance, June 30	\$ 365,341	\$ -	\$ 365,341	\$ 374,853	\$ 9,512

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:

Scholarships	\$ 180,540
Student Activities	194,313
	<u>\$ 374,853</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, 2022**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 53,432,295	\$ 3,288,667
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	-	23,804
Current Year	-	(752,380)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,275,483	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(1,598,175)	-
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	\$ 53,109,603	\$ 2,560,091
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 52,440,412	\$ 3,279,155
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	-	(728,576)
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	\$ 52,440,412	\$ 2,550,579

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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 NINE FISCAL YEARS**

	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability (asset)	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)	\$ 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	\$ 4,427,529	\$ 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	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	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	56.31%	62.41%	58.70%

**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
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
LAST NINE FISCAL YEARS**

	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's contractually required contribution	\$ 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	(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	\$ 4,427,529	\$ 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	15.66%	14.94%	13.09%	14.71%	14.69%	12.74%	11.80%	10.69%	**N/A

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
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' PENSION AND ANNUITY FUND
LAST NINE FISCAL YEARS***

	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	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	\$ 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%
Plan fiduciary net position as a percentage of the total pension liability	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).

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
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 FIVE FISCAL YEARS*

	2022	2021	2020	2019	2018
Total OPEB Liability Associated with the District					
Service Cost	\$ 5,334,619	\$ 2,854,520	\$ 2,788,283	\$ 3,261,325	\$ 3,941,593
Interest Cost	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	(14,589,740)	15,351,027	(10,212,197)	(8,116,632)	-
Changes of Assumptions	78,058	16,055,082	792,932	(6,774,430)	(9,835,019)
Contributions: Member	52,471	46,379	48,392	54,557	59,366
Gross Benefit Payments	(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	(8,773,109)	34,712,356	(5,852,931)	(10,572,114)	(5,223,286)
Total OPEB Liability Associated with the District (Beginning)	87,893,280	53,180,924	59,033,855	69,605,969	74,829,255
Total OPEB Liability Associated with the District (Ending)	<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	\$ 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	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 - PART III
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 5.60% as of June 30, 2020, to 7.00% as of June 30, 2021.

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 2.21% as of June 30, 2020, to 2.16% as of June 30, 2021.

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, 2022**

	TITLE I	TITLE II	IDEA B	IDEA B - ARP	ASCERS	ESSER II	ESSER II ACCELERATED LEARNING	ESSER II MENTAL HEALTH
Revenues:								
Federal Sources	\$ 110,477	\$ 26,800	\$ 498,286	\$ 125,243	\$ 21,866	\$ 449,471	\$ 29,026	\$ 32,143
Total Revenues	\$ 110,477	\$ 26,800	\$ 498,286	\$ 125,243	\$ 21,866	\$ 449,471	\$ 29,026	\$ 32,143
Expenditures:								
Instruction:								
Salaries	\$ 84,753	\$ -	\$ -	\$ -	\$ -	\$ 83,491	\$ 26,963	\$ 32,143
Purchased Professional Services	-	-	-	-	-	17,147	-	-
Tuition	-	-	498,286	-	-	-	-	-
Other Purchased Services	-	-	-	125,243	21,866	-	-	-
Total Instruction	84,753	-	498,286	125,243	21,866	100,638	26,963	32,143
Support Services:								
Salaries	-	-	-	-	-	72,561	-	-
Personal Services - Employee Benefits	25,724	-	-	-	-	39,271	2,063	-
Purchased Professional Services	-	4,603	-	-	-	150,913	-	-
Other Professional Services	-	22,197	-	-	-	86,088	-	-
Total Support Services	25,724	26,800	-	-	-	348,833	2,063	-
Total Expenditures	\$ 110,477	\$ 26,800	\$ 498,286	\$ 125,243	\$ 21,866	\$ 449,471	\$ 29,026	\$ 32,143
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**KINGSWAY REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	CARES	ESSER III	MENTAL HEALTH	EMERGENCY NEEDS	LEAP	SAFETY GRANT	OTHER LOCAL	STUDENT ACTIVITIES	SCHOLARSHIP	TOTAL
Revenues:										
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,558	\$ 13,810	\$ 979,527	\$ 2,779	\$ 1,009,674
State Sources	-	-	-	71,822	74,000	-	-	-	-	145,822
Federal Sources	63	830,296	9,500	-	-	-	-	-	-	2,133,171
Total Revenues	\$ 63	\$ 830,296	\$ 9,500	\$ 71,822	\$ 74,000	\$ 13,558	\$ 13,810	\$ 979,527	\$ 2,779	\$ 3,288,667
Expenditures:										
Instruction:										
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,644	\$ -	\$ -	\$ 230,994
Purchased Professional Services	-	-	-	-	-	-	-	-	-	17,147
Tuition	-	-	-	-	-	-	-	-	-	498,286
Other Purchased Services	-	-	-	-	-	13,558	-	-	-	160,667
General Supplies	63	-	-	-	-	-	10,166	-	-	10,229
Total Instruction	63	-	-	-	-	13,558	13,810	-	-	917,323
Support Services:										
Salaries	-	-	-	-	-	-	-	-	-	72,561
Personal Services - Employee Benefits	-	17,074	-	-	-	-	-	-	-	84,132
Purchased Professional Services	-	-	9,500	-	74,000	-	-	-	-	239,016
Other Professional Services	-	-	-	-	-	-	-	-	-	108,285
Student Activities	-	-	-	-	-	-	-	968,990	-	968,990
Scholarship	-	-	-	-	-	-	-	-	3,804	3,804
Total Support Services	-	17,074	9,500	-	74,000	-	-	968,990	3,804	1,476,788
Facilities Acquisition & Construction Services:										
Construction	-	813,222	-	71,822	-	-	-	-	-	885,044
Total Facilities Acquisition & Construction Services	-	813,222	-	71,822	-	-	-	-	-	885,044
Total Expenditures	\$ 63	\$ 830,296	\$ 9,500	\$ 71,822	\$ 74,000	\$ 13,558	\$ 13,810	\$ 968,990	\$ 3,804	\$ 3,279,155
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-	-	-	-	10,537	(1,025)	9,512
Fund Balance, July 1	-	-	-	-	-	-	-	183,776	181,565	365,341
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 194,313	\$ 180,540	\$ 374,853

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		
Construction of Middle School Auxiliary Gym	01/06/12	\$ 5,350,012	\$ 4,919,588	\$ -	\$ 430,424	\$ -
Additions and Renovations to Middle School	01/06/12	10,318,928	10,191,341	-	127,587	-
Stadium and Turf Project	07/01/19	4,419,993	4,267,516	92,618	-	59,859
Miscellaneous High School Renovations	03/16/22	-	-	198,776	-	(198,776)
Total			<u>\$ 19,378,445</u>	<u>\$ 291,394</u>	<u>\$ 558,011</u>	<u>\$ (138,917)</u>

**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, 2022**

Revenues and Other Financing Sources:

Transfer from Capital Reserve	\$	-
Interest		41
		41
Total Revenues		41

Expenditures and Other Financing Uses:

Purchased Professional & Technical Services		198,776
Construction Services		92,618
Transfer to Debt Service		558,011
		849,405
Total Expenditures		849,405
Excess/(Deficiency) of Revenues Over/(Under) Expenditures		(849,364)
Fund Balance - Beginning		710,447
		710,447
Fund Balance - Ending	\$	(138,917)

**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, 2022**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED 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	1,230	41	1,271	1,271
Total Revenues	4,419,952	41	4,419,993	4,419,993
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	164,527	-	164,527	164,527
Construction Services	3,340,709	92,618	3,433,327	3,493,186
Equipment Purchases	762,280	-	762,280	762,280
Total Expenditures	4,267,516	92,618	4,360,134	4,419,993
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ 152,436	\$ (92,577)	\$ 59,859	\$ -

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	\$ 4,419,993
Revised Authorized Cost	\$ 4,419,993
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
CONSTRUCTION OF MIDDLE SCHOOL AUXILIARY GYMNASIUM
FOR THE YEAR ENDED JUNE 30, 2022**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SDA Grant	\$ 1,221,326	\$ -	\$ 1,221,326	\$ 1,221,326
Bond Proceeds & Transfers	4,128,686	-	4,128,686	4,128,686
Total Revenues	5,350,012	-	5,350,012	5,350,012
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	499,119	-	499,119	1,070,001
Construction Services	4,420,469	-	4,420,469	4,124,994
Equipment Purchases	-	-	-	155,017
Transfer to Debt Service	-	430,424	430,424	-
Total Expenditures	4,919,588	430,424	5,350,012	5,350,012
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ 430,424	\$ (430,424)	\$ -	\$ -

ADDITIONAL PROJECT INFORMATION

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

**KINGSWAY REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
ADDITIONS AND RENOVATIONS TO MIDDLE SCHOOL
FOR THE YEAR ENDED JUNE 30, 2022**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SDA Grant	\$ 2,866,467	\$ -	\$ 2,866,467	\$ 2,866,467
Bond Proceeds & Transfers	7,452,461	-	7,452,461	7,517,346
Total Revenues	10,318,928	-	10,318,928	10,383,813
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	949,606	-	949,606	2,076,762
Construction Services	7,044,084	-	7,044,084	8,006,257
Equipment Purchases	723,045	-	723,045	300,794
Transfer to Debt Service	1,474,606	127,587	1,602,193	-
Total Expenditures	10,191,341	127,587	10,318,928	10,383,813
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ 127,587	\$ (127,587)	\$ -	\$ -

ADDITIONAL PROJECT INFORMATION

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

**KINGSWAY REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
HIGH SCHOOL MISCELLANEOUS RENOVATIONS
FOR THE YEAR ENDED JUNE 30, 2022**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SDA Grant	\$ -	\$ -	\$ -	\$ -
Transfer from Capital Reserve	-	-	-	2,600,000
Total Revenues	-	-	-	2,600,000
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	-	198,776	198,776	198,776
Construction Services	-	-	-	2,401,224
Total Expenditures	-	198,776	198,776	2,600,000
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ -	\$ (198,776)	\$ (198,776)	\$ -

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

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, 2022**

ASSETS	FOOD SERVICE FUND	COMMUNITY EDUCATION	2022
Current Assets:			
Cash & Cash Equivalents	\$ 1,163,853	\$ 144,579	\$ 1,308,432
Accounts Receivable:			
State	1,532	-	1,532
Federal	66,567	-	66,567
Other	9,066	-	9,066
Inventories	9,606	-	9,606
	<hr/>		
Total Current Assets	1,250,624	144,579	1,395,203
Noncurrent Assets:			
Furniture, Machinery & Equipment	879,232	-	879,232
Accumulated Depreciation	(734,189)	-	(734,189)
	<hr/>		
Total Noncurrent Assets	145,043	-	145,043
	<hr/>		
Total Assets	1,395,667	144,579	1,540,246
LIABILITIES:			
Current Liabilities:			
Accounts Payable	-	6,794	6,794
Unearned Revenue	24,321	-	24,321
	<hr/>		
Total Current Liabilities	24,321	6,794	31,115
Noncurrent Liabilities:			
Compensated Absences	43,896	-	43,896
	<hr/>		
Total Noncurrent Liabilities	43,896	-	43,896
	<hr/>		
Total Liabilities	68,217	6,794	75,011
NET POSITION			
Investment in Capital Assets	145,043	-	145,043
Unrestricted Net Position	1,182,407	137,785	1,320,192
	<hr/>		
Total Net Position	\$ 1,327,450	\$ 137,785	\$ 1,465,235
	<hr/>		

**KINGSWAY REGIONAL SCHOOL DISTRICT
ENTERPRISE FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
AS OF JUNE 30, 2022**

	FOOD SERVICE FUND	COMMUNITY EDUCATION	TOTAL
Operating Revenue:			
Local Sources:			
Daily Sales - Reimbursable Programs	\$ 172	\$ -	\$ 172
Daily Sales - Nonreimbursable Programs	370,466	-	370,466
Vending Machine Sales	7,974	-	7,974
Special Function	52,408	-	52,408
Program Fees	-	167,631	167,631
Total Operating Revenue	431,020	167,631	598,651
Operating Expenses:			
Salaries	422,224	5,774	427,998
Employee Benefits	173,287	-	173,287
Supplies and Materials	31,466	12,737	44,203
Cleaning, Repair & Maintenance Services	14,967	-	14,967
Miscellaneous Expenses	460	17,965	18,425
Depreciation	15,738	-	15,738
Cost of Sales - Reimbursable Programs	623,636	-	623,636
Total Operating Expenses	1,281,778	36,476	1,318,254
Operating (Loss)/Gain	(850,758)	131,155	(719,603)
Nonoperating Revenues:			
State Sources:			
State School Lunch Program	32,406	-	32,406
Federal Sources:			
National School Lunch Program	1,378,465	-	1,378,465
Food Distribution Program	95,200	-	95,200
Emergency Operational Cost Reimbursement	24,493	-	24,493
Covid-19 Pandemic EBT Admin Cost	1,242	-	1,242
Interest Revenue	19	-	19
Total Nonoperating Revenues	1,531,825	-	1,531,825
Net Income/(Loss)	681,067	131,155	812,222
Change in Net Position	681,067	131,155	812,222
Total Net Position - Beginning	646,383	6,630	653,013
Total Net Position - Ending	\$ 1,327,450	\$ 137,785	\$ 1,465,235

**KINGSWAY REGIONAL SCHOOL DISTRICT
ENTERPRISE FUND
COMBINING SCHEDULE OF CASH FLOWS
AS OF JUNE 30, 2022**

	FOOD SERVICE FUND	COMMUNITY EDUCATION	2022
Cash Flows From Operating Activities:			
Receipts from Customers	\$ 426,834	\$ 167,631	\$ 594,465
Payments to Employees	(423,538)	(5,774)	(429,312)
Payments for Employee Benefits	(173,287)	-	(173,287)
Payments to Suppliers	(670,487)	(23,908)	(694,395)
	<hr/>		
Net Cash Provided/(Used) by Operating Activities	(840,478)	137,949	(702,529)
Cash Flows From Investing Activities:			
Interest & Dividends	19	-	19
Purchase of Equipment	(16,804)	-	(16,804)
	<hr/>		
Net Cash Provided by Investing Activities	(16,785)	-	(16,785)
Cash Flows From Noncapital Financing Activities:			
State Sources	32,406	-	32,406
Federal Sources	1,507,541	-	1,507,541
	<hr/>		
Net Cash Provided by Noncapital Financing Activities	1,539,947	-	1,539,947
Net Increase/(Decrease) in Cash & Cash Equivalents			
	682,684	137,949	820,633
Cash & Cash Equivalents, July 1	481,169	6,630	487,799
	<hr/>		
Cash & Cash Equivalents, June 30	\$ 1,163,853	\$ 144,579	\$ 1,308,432
	<hr/> <hr/>		

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

Cash Provided/(Used) by Operating Activities:			
Operating Income/(Loss)	\$ (850,758)	\$ 131,155	\$ (719,603)
Adjustments to Reconcile Operating Income/(Loss) to Cash Provided/(Used) by Operating Activities:			
Depreciation Expense	15,738	-	15,738
Change in Assets & Liabilities:			
(Increase)/Decrease in Inventory	42	-	42
(Increase)/Decrease in Accounts Receivable, Net	-	-	-
(Increase)/Decrease in Interfund Receivable	-	-	-
Increase/(Decrease) in Accounts Payable	-	6,794	6,794
Increase/(Decrease) in Unearned Revenue	(4,186)	-	(4,186)
Increase/(Decrease) in Compensated Absences	(1,314)	-	(1,314)
	<hr/>		
Total Adjustments	10,280	6,794.00	17,074
	<hr/>		
Net Cash Provided/(Used) by Operating Activities	\$ (840,478)	\$ 137,949	\$ (702,529)
	<hr/> <hr/>		

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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, 2022**

ASSETS	GOVERNMENTAL ACTIVITIES		
	TRANSPORTATION SERVICES	TECHNOLOGY SERVICES	TOTAL
Cash	\$ -	\$ -	\$ -
Accounts Receivable:			
Interfund Accounts Receivable	56,475	2,780	59,255
Intergovernmental - Other	248,281	38,886	287,167
Other Accounts Receivable	6	-	6
Total Assets	304,762	41,666	346,428
LIABILITIES			
Cash Deficit	177,390	41,666	219,056
Accounts Payable	127,372	-	127,372
Total Liabilities	304,762	41,666	346,428
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, 2022**

	<u>GOVERNMENTAL ACTIVITIES</u>		TOTAL
	<u>TRANSPORTATION SERVICES</u>	<u>TECHNOLOGY SERVICES</u>	
OPERATING REVENUES:			
Local Sources:			
Transportation Fees	\$ 1,899,364	\$ -	\$ 1,899,364
Shared Service Fees	104,031	141,896	245,927
	<hr/>		
Total Operating Revenue	2,003,395	141,896	2,145,291
	<hr/>		
OPERATING EXPENSES:			
Salaries	542,501	141,750	684,251
Employee Benefits	77,511	-	77,511
Cleaning, Repair & Maintenance Services	1,898	-	1,898
Aid in Lieu of Transportation	221,420	-	221,420
Transportation To/From	962,953	-	962,953
Miscellaneous Purchased Services	87,587	-	87,587
Supplies & Materials	109,097	-	109,097
Miscellaneous Expenditures	428	-	428
	<hr/>		
Total Operating Expenses	2,003,395	141,750	2,145,145
	<hr/>		
Net Income/(Loss)	-	146	146
	<hr/>		
Other Financing Sources/(Uses):			
Operating Transfer In/(Out):			
Transfer to General Fund	-	(146)	(146)
	<hr/>		
Total Other Financing Sources/(Uses)	-	(146)	(146)
	<hr/>		
Change in Net Position	-	-	-
Total Net Position- July 1	-	-	-
	<hr/>		
Total Net Position - June 30	\$ -	\$ -	\$ -
	<hr/>		

**KINGSWAY REGIONAL SCHOOL DISTRICT
INTERNAL SERVICE FUND
COMBINING STATEMENT OF CASH FLOWS
AS OF JUNE 30, 2022**

	GOVERNMENTAL ACTIVITIES				TOTAL
	TRANSPORTATION SERVICES	MAINTENANCE SERVICES	GENERAL ADMINISTRATION	TECHNOLOGY SERVICES	
Cash Flows From Operating Activities:					
Receipts from Customers	\$ 1,990,475	\$ 3	\$ -	\$ 166,917	\$ 2,157,395
Payments to Employees	(542,501)	-	(18,987)	(141,750)	(703,238)
Payments for Employee Benefits	(77,511)	-	-	-	(77,511)
Payments to Suppliers	(1,325,454)	(74,020)	-	-	(1,399,474)
Net Cash Provided/(Used) by Operating Activities	45,009	(74,017)	(18,987)	25,167	(22,828)
Cash Flows From Noncapital Financing Activities:					
Transfer to General Fund	-	-	-	(146)	(146)
Net Cash Provided by Noncapital Financing Activities	-	-	-	(146)	(146)
Net Increase/(Decrease) in Cash & Cash Equivalents	45,009	(74,017)	(18,987)	25,021	(22,974)
Cash & Cash Equivalents, July 1	(222,399)	74,017	18,987	(66,687)	(196,082)
Cash & Cash Equivalents, June 30	\$ (177,390)	\$ -	\$ -	\$ (41,666)	\$ (219,056)

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

Reconciliation of Operating Income (Loss) to Cash Provided/(Used) by Operating Activities:	\$ -	\$ -	\$ -	\$ 146	\$ 146
Adjustments to Reconcile Operating Income/(Loss) in Cash Provided/(Used) by Operating Activities:					
Change in Assets & Liabilities:					
(Increase)/Decrease in Accounts Receivable	(12,920)	3	-	(35,960)	(48,877)
(Increase)/Decrease in Interfund Receivable	(56,475)	-	-	60,981	4,506
Increase/(Decrease) in Interfund Payable	-	(74,020)	(18,987)	-	(93,007)
Increase/(Decrease) in Accounts Payable	114,404	-	-	-	114,404
Total Adjustments	45,009	(74,017)	(18,987)	25,021	(22,974)
Net Cash Provided/(Used) by Operating Activities	\$ 45,009	\$ (74,017)	\$ (18,987)	\$ 25,167	\$ (22,828)

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I. Long-Term Debt

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**KINGSWAY REGIONAL SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
JUNE 30, 2022**

	DATE OF	AMOUNT OF	ANNUAL MATURITY		INTEREST	BALANCE JUNE 30, 2021	ISSUED	REDEEMED	BALANCE JUNE 30, 2022
Series 2012 Additions & Renovations of Existing School	1/18/2012	\$ 22,659,000				\$ 775,000	\$ -	\$ 775,000	\$ -
Series 2012 Refunding Bonds of 08/17/2004 Issue	1/27/2012	5,935,000	01/15/23	585,000	3.000%	1,775,000	-	600,000	1,175,000
			01/15/24	590,000	3.831%				
Series 2014 Refunding Bonds of 05/15/05 Issue	12/4/2014	8,730,000	03/01/23	1,090,000	4.000%	3,275,000	-	1,115,000	2,160,000
			03/01/24	1,070,000	5.000%				
Series 2016 Refunding Bonds of 11/21/06 Issue	10/20/2016	8,190,000	01/15/25	1,205,000	4.000%	8,170,000	-	-	8,170,000
			01/15/26	1,195,000	4.000%				
			01/15/27	1,185,000	4.000%				
			01/15/28	1,180,000	3.000%				
			01/15/29	1,160,000	3.000%				
			01/15/30	1,135,000	3.000%				
			01/15/31	1,110,000	3.000%				
Series 2020 Refunding Bonds of 1/18/2012 Issue	12/30/2020	16,625,000	02/01/23	940,000	0.577%	16,460,000.00	-	135,000	16,325,000
			02/01/24	975,000	0.773%				
			02/01/25	980,000	0.923%				
			02/01/26	990,000	1.198%				
			02/01/27	1,025,000	1.328%				
			02/01/28	1,035,000	1.633%				
			02/01/29	1,070,000	1.753%				
			02/01/30	1,110,000	1.833%				
			02/01/31	1,145,000	2.023%				
			02/01/32	1,185,000	2.093%				
			02/01/33	1,200,000	2.243%				
			02/01/34	1,185,000	2.323%				
			02/01/35	1,175,000	2.423%				
			02/01/36	1,160,000	2.673%				
			02/01/37	1,150,000	2.773%				
			Total						

**KINGSWAY REGIONAL SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF FINANCED PURCHASES
JUNE 30, 2022**

SERIES	DATE	TERM	INTEREST RATE PAYABLE	AMOUNT OF ORIGINAL ISSUE	AMOUNT OUTSTANDING JUNE 30, 2021	ISSUED CURRENT YEAR	RETIRED CURRENT YEAR	AMOUNT OUTSTANDING JUNE 30, 2022
Technology Equipment	8/17/18	3 Years	3.27%	\$ 266,980	\$ 91,871	\$ -	\$ 91,871	\$ -
Lease Purchase Agreement	7/01/19	5 Years	2.37%	\$ 1,600,000	1,295,722	-	312,645	983,077
Total					\$ 1,387,593	\$ -	\$ 404,516	\$ 983,077

**KINGSWAY REGIONAL SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	JUNE 30, 2022				NEGATIVE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:					
Local Sources:					
Local Tax Levy	\$ 2,304,529	\$ -	\$ 2,304,529	\$ 2,304,528	\$ (1)
State Sources:					
Debt Service Aid Type II	546,376	-	546,376	546,376	-
Miscellaneous	558,011	-	558,011	558,011	-
Total Revenues	3,408,916	-	3,408,916	3,408,915	(1)
Expenditures:					
Regular Debt Service:					
Interest	783,917	-	783,917	783,917	-
Principal	2,625,000	-	2,625,000	2,625,000	-
Total Expenditures	3,408,917	-	3,408,917	3,408,917	-
Excess/(Deficiency) of Revenues					
Over/(Under) Expenditures	(1)	-	(1)	(2)	(1)
Fund Balance July 1	65,533	-	65,533	65,533	-
Fund Balance June 30	\$ 65,532	\$ -	\$ 65,532	\$ 65,531	\$ (1)

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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,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental Activities:										
Net Investment in Capital Assets	\$ 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	\$ 8,717,235
Restricted	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	2,733,713
Unrestricted	(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	(1,031,840)
Total Governmental Activities	\$ 19,202,021	\$ 14,913,571	\$ 11,933,201	\$ 11,443,367	\$ 10,882,428	\$ 12,884,169	\$ 22,334,190	\$ 22,473,081	\$ 19,991,798	\$ 10,419,108
Business-Type Activities:										
Investment in Capital Assets	\$ 145,043	\$ 143,977	\$ 162,482	\$ 132,102	\$ 123,469	\$ 100,476	\$ 10,215	\$ 10,762	\$ 41,293	\$ 74,322
Unrestricted	1,320,192	509,036	234,062	977,835	878,083	361,896	391,020	275,518	218,608	129,752
Total Business-Type Activities	\$ 1,465,235	\$ 653,013	\$ 396,544	\$ 1,109,937	\$ 1,001,552	\$ 462,372	\$ 401,235	\$ 286,280	\$ 259,901	\$ 204,074
District-Wide:										
Net Investment in Capital Assets	\$ 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	\$ 8,791,557
Restricted	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	2,733,713
Unrestricted	(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	(902,088)
Total District Net Position	\$ 20,667,256	\$ 15,566,584	\$ 12,329,745	\$ 12,553,304	\$ 11,883,980	\$ 13,346,541	\$ 22,735,425	\$ 22,759,361	\$ 20,251,699	\$ 10,623,182

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
FISCAL YEAR ENDING JUNE 30.										
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 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	\$ 7,878,158
Special Education	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	2,194,808
Other Instruction	3,215	9,015	9,191	49,609	45,609	5,352	5,992	401	4,850	56,162
School Sponsored	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	755,011
Support Services:										
Tuition	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	1,862,674
Student & Instruction Related Services	6,540,860	5,850,528	4,605,544	4,388,258	3,867,681	4,670,644	3,980,590	3,504,324	3,249,067	2,132,387
School Administrative Services	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	1,272,945
General & Business Administrative Services	738,019	712,212	721,731	830,930	756,642	857,522	717,954	682,990	618,884	537,466
Central Office & Technology Services	1,229,831	1,152,151	1,131,992	1,094,223	1,002,334	856,912	748,669	825,133	584,884	569,573
Plant Operations & Maintenance	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	2,528,095
Pupil Transportation	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	2,821,829
Allocated Benefits	-	-	-	-	-	-	-	-	-	-
On Behalf TPAP Pension and Social	6,918,817	11,180,310	7,669,931	9,855,809	13,142,094	-	-	-	-	4,408,279
Transfer to Charter School	78,550	76,413	83,215	0	3,720	-	-	-	-	1,940,708
Interest on Long-Term Debt	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	1,245,834
Unallocated Depreciation	1,652,925	1,681,705	1,895,010	1,912,414	1,980,299	1,670,349	1,880,234	1,679,247	1,904,135	1,439,521
Capital Asset Adjustment	-	-	-	-	-	-	-	-	-	72,143
Amortization of Debt Issuance Costs	-	-	-	-	-	-	-	102,268	-	75,192
Unallocated Compensated Absences	-	-	-	-	-	231,294	417,609	(94,013)	265,957	-
Total Governmental Activities Expenses	\$ 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	\$ 31,643,450
Business-Type Activities:										
Community Education Program	36,476	6,856	535,781	200,567	169,482	42,755	13,266	16,409	13,832	2,912
Food Service	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	1,003,315
Total Business-Type Activities Expense	\$ 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	\$ 1,006,227
Total District Expenses	\$ 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	\$ 32,649,677
Program Revenues:										
Governmental Activities:										
Changes for Services:										
Pupil Transportation	\$ 2,145,291	\$ 2,164,086	\$ 2,202,388	\$ 2,258,461	\$ 2,259,712	\$ 1,961,651	\$ 1,742,380	\$ 1,653,554	\$ 1,104,912	\$ 943,221
Operating Grants & Contributions	10,155,868	12,360,285	7,004,248	9,930,074	12,753,880	5,315,795	456,633	436,803	449,711	1,134,114
Capital Grants & Contributions	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities Program Revenues	\$ 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	\$ 2,077,335
Business-Type Activities:										
Changes for Services:										
Community Education Program	167,631	7,055	20,455	294,655	266,865	93,098	30,026,000	28,854,000	26,378,000	13,615,000
Food Service	431,020	82,328	673,597	1,037,035	1,081,096	965,864	962,521	842,295	837,864	872,766
Technology Services	-	-	-	-	-	-	-	-	16,522,000	-
Operating Grants & Contributions	1,531,806	861,404	240,790	284,969	299,342	257,626	291,482	255,493	230,539	180,597
Total Business-Type Activities Program Revenues	\$ 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	\$ 1,066,978
Total District Program Revenues	\$ 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	\$ 3,144,313

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

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Net (Expense)/Revenue:										
Governmental Activities	\$ (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)	\$ (29,566,115)
Business-Type Activities	812,203	256,469	(713,413)	108,385	176,529	65,083	115,708	64,146	54,693	60,751
Total District-Wide Net Expense	\$ (43,317,217)	\$ (40,927,181)	\$ (42,600,202)	\$ (39,114,455)	\$ (36,502,069)	\$ (34,676,278)	\$ (35,442,871)	\$ (32,634,345)	\$ (31,394,097)	\$ (29,505,364)
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 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	\$ 15,536,649
Taxes Levied for Debt Service	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	1,803,669
Unrestricted Grants & Contributions	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	8,883,640
Federal & State Aid Restricted	546,376	526,965	481,081	500,492	522,864	-	-	-	-	-
Tuition Received	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	3,332,156
Rents and Royalties	56,088	1,225	39,846	79,120	81,636	77,121	-	-	-	-
Investment Earnings	1,943	-	17,001	23,011	5,726	6,623	7,098	11,659	39,178	-
Miscellaneous Income	1,702,530	1,010,799	614,319	461,158	327,081	227,960	350,533	319,044	379,629	269,421
Transportation Fees from Other LEAs Within State	-	-	-	1,983	1,534	-	-	-	57,034	15,912
Transfers	-	-	-	-	-	-	-	-	-	-
Cancellation of Account Receivables/ Payables	-	-	-	-	-	-	-	-	-	-
Net (Increase)/Decrease in Compensated Absences	-	-	-	-	-	-	14,956	(583)	-	-
Net (Increase)/Decrease in Capital Assets	-	-	-	-	-	-	-	-	-	(32,419)
Total Governmental Activities	48,417,870	43,697,566	41,195,384	39,783,779	36,912,810	35,049,068	35,695,856	35,163,252	39,980,714	28,864,016
Business-Type Activities:										
Investment Earnings	19	-	-	20	50	1,386	948	1,627	1,383	850
Transfers	-	-	-	-	-	-	-	-	-	-
Net (Increase)/Decrease in Capital Assets	-	-	-	-	-	-	4,389	-	-	-
Net (Increase)/Decrease in Compensated Absences	-	-	-	-	-	(5,334)	(6,090)	(22,872)	(248)	(2,737)
Total Business-Type Activities	19	-	-	20	50	(3,948)	(753)	(21,245)	1,135	(1,887)
Total District-Wide	\$ 48,417,889	\$ 43,697,566	\$ 41,195,404	\$ 39,783,779	\$ 36,912,860	\$ 35,045,120	\$ 35,695,103	\$ 35,142,007	\$ 39,981,849	\$ 28,862,129
Change in Net Position:										
Governmental Activities	\$ 4,288,450	\$ 2,513,916	\$ (691,405)	\$ 560,939	\$ 234,212	\$ 307,705	\$ 137,277	\$ 2,464,761	\$ 8,531,924	\$ (702,099)
Business-Type Activities	812,222	256,469	(713,393)	108,385	176,579	61,137	114,955	42,901	55,828	58,864
Total District	\$ 5,100,672	\$ 2,770,385	\$ (1,404,798)	\$ 669,324	\$ 410,791	\$ 368,842	\$ 252,232	\$ 2,507,662	\$ 8,587,752	\$ (643,235)

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

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund:										
Restricted	\$ 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	\$ 2,728,509
Assigned	-	74,037	58,884	-	-	87,149	87,149	319,627	-	-
Committed	613,422	294,921	164,676	254,820	185,393	-	-	-	-	-
Unassigned	(360,915)	(765,482)	(278,836)	(65,869)	(53,132)	-	-	-	-	759,943
Total General Fund	\$ 4,161,384	\$ 3,570,597	\$ 2,437,191	\$ 3,542,177	\$ 3,782,910	\$ 3,639,778	\$ 3,961,125	\$ 4,725,703	\$ 3,584,379	\$ 3,488,452
All Other Governmental Funds:										
Restricted	\$ (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	\$ 5,204
Committed	2,303,487	92,618	420,088	-	-	0	131,008	4,424,528.00	-	-
Unassigned, Reported in:										
Capital Projects Fund	-	-	-	-	-	-	-	-	-	(299,600)
Debt Service Fund	65,531	65,533	395	4,203	-	111,017	47,162	47,162	-	-
Total All Other Governmental Funds	\$ 301,467	\$ 1,141,321	\$ 1,346,922	\$ 2,036,820	\$ 2,137,781	\$ 2,503,347	\$ 2,691,999	\$ 8,249,115	\$ 25,422,409	\$ (294,396)

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenues:										
Taxes Local	\$ 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	\$ 17,340,316
Tuition Charges	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	3,332,156
Transportation	56,088	1,225	40,425	81,103	83,170	77,121	-	-	57,034	15,912
Miscellaneous	1,704,473	1,010,799	281,320	484,169	332,807	234,583	357,631	330,703	379,629	308,599
Local Sources	-	-	-	-	-	-	-	-	-	9,625
State Sources	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	9,290,613
Federal Sources	1,534,562	1,071,872	637,429	648,235	602,026	547,794	454,004	431,001	729,186	717,516
Total Revenue	58,520,639	51,349,184	46,537,142	45,259,437	41,755,011	37,753,981	36,137,533	35,600,638	40,430,425	31,014,737
Expenditures:										
Instruction:										
Regular Instruction	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	7,784,180
Special Education Instruction	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	2,186,002
Other Instructional	3,215	9,015	9,191	49,609	45,609	5,352	5,992	401	4,850	56,162
School Sponsored	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	663,092
Support Services:										
Tuition	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	1,862,674
Student & Instruction Related Services	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	2,125,940
School Administrative Services	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	1,270,985
General & Business Administration Services	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	1,056,420
Plant Operations & Maintenance	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	2,488,072
Pupil Transportation	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	1,740,212
Allocated Benefits	-	-	-	-	-	5,145,365	4,891,551	4,037,238	4,489,690	4,408,279
Unallocated Benefits	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	1,940,708
On Behalf TPAF Pension and Social Security Contributions	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)**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Expenditures (continued):										
Capital outlay	1,391,526	796,826	3,538,996	1,342,528	706,935	883,562	7,003,439	18,356,424	6,160,542	2,233,077
Debt service:										
Principal	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	1,260,000
Interest & Other Charges	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	1,264,531
Total Expenditures	58,691,302	50,877,261	50,170,831	45,954,307	38,966,357	38,456,357	42,621,621	51,902,853	36,817,537	32,340,334
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(170,663)	471,923	(3,633,689)	(694,870)	2,788,654	(702,581)	(6,484,088)	(16,302,215)	3,612,888	(1,325,597)
Other Financing Sources/(Uses):										
Bond Proceeds	-	-	-	-	-	-	-	-	22,659,000	-
Bond Anticipation Note	-	-	-	-	-	-	-	153,600	146,000	-
Capital Leases	-	-	-	-	-	-	-	-	-	-
(Nonbudgeted)	-	-	-	-	-	-	-	-	-	1,500,000
Capital Lease Proceeds	-	(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	(78,550)	(76,413)	(83,215)	(3,720)	-	-	-	-	-	-
Transfers in	558,157	1,628,368	2,986,980	86,196	33,940	94,804	147,438	151,392	-	150,001
Transfers Out	(558,011)	(1,711,241)	(2,664,960)	-	-	-	-	(34,164)	-	(1)
Total Other Financing Sources/ (Uses)	(78,404)	(10,572)	1,838,805	353,176	30,220	192,582	162,394	270,245	22,805,000	1,650,000
Net Change in Fund Balances	\$ (249,067)	\$ 461,351	\$ (1,794,884)	\$ (341,694)	\$ 2,818,874	\$ (509,999)	\$ (6,321,694)	\$ (16,031,970)	\$ 26,417,888	\$ 324,403
Debt Service as a Percentage of Noncapital Expenditures	6.15%	7.30%	7.46%	7.98%	9.25%	9.77%	10.09%	11.07%	8.24%	8.39%

Source: District Records

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

FISCAL YEAR ENDING JUNE 30,	FACILITY USAGE	INTEREST ON INVESTMENTS	PRIOR YEAR REFUNDS	SPORTING EVENTS GATE RECEIPTS	STUDENT PARTICIPATION FEES	MISCELLANEOUS	TOTAL
2022	\$ 56,088	\$ 1,943	\$ 135,063	\$ 19,506	\$ 135,735	\$ 348,835	\$ 697,170
2021	-	-	-	-	-	285,997	285,997
2020	-	17,001	18,986	18,511	75,875	132,647	263,020
2019	-	23,011	89,682	16,414	115,743	171,365	416,215
2018	-	5,726	26,160	19,098	122,090	93,767	266,841
2017	-	6,623	10,573	17,317	92,475	69,320	196,308
2016	62,796	7,098	31,576	23,068	96,327	120,058	340,923
2015	43,806	11,659	16,693	17,611	123,000	55,399	268,168
2014	61,587	19,349	55,902	19,521	122,680	92,333	371,372
2013	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
East Greenwich Township												
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	-	1,212,308,000	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	1,180,244,291
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	1,048,560,500	1,280,885	1,049,841,385	1.968	1,089,213,265
2014	14,104,900	924,528,700	23,001,600	2,712,700	54,274,600	16,459,200	1,916,500	1,036,998,200	1,266,142	1,038,264,342	1.876	1,079,797,686
2013	17,930,100	910,807,400	23,975,400	2,749,200	54,269,400	16,952,500	2,159,800	1,028,843,800	1,470,197	1,030,313,997		1,092,833,683
South Harrison Township												
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	34,555,900	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
2013	10,692,100	328,052,400	38,652,800	3,701,000	23,785,500	-	-	404,883,800	703,216	405,587,016	1.627	366,223,204
Borough of Swedesboro												
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	-	172,279,200	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	135,324,200	-	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
2013	1,962,600	148,474,600	-	24,700	34,901,000	1,695,500	1,122,400	188,180,800	1,833,117	190,013,917	2.149	192,277,907
Woolwich Township												
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	-	1,350,895,810	2.126	1,382,965,425
2019	17,438,800	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	1,123,215,247	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
2013	19,999,300	905,097,600	20,677,300	4,291,500	55,082,700	45,953,200	22,229,800	1,073,331,400	2,303,228	1,075,634,628	2.092	1,099,949,222

Source: County Abstract if Ratables

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

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES				TOTAL DIRECT & OVERLAPPING TAX RATE
	LOCAL SCHOOL	REGIONAL SCHOOL	TOTAL DIRECT	MUNICIPALITY	GLOUCESTER COUNTY	COUNTY LIBRARY	COUNTY OPEN SPACE	
East Greenwich Township								
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
2013	1.090	0.720	1.810	0.320	0.596	0.046	0.044	2.816
South Harrison Township								
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
2013	0.889	0.738	1.627	0.171	0.508	0.039	0.037	2.382
Borough of Swedesboro								
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
2013	1.279	0.870	2.149	0.802	0.569	0.044	0.042	3.606
Woolwich Township								
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
2013	1.325	0.767	2.092	0.486	0.575	0.045	0.042	3.240

Source: Gloucester County Abstract of Ratable;

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

	2022		2013	
	TAXABLE ASSESSED VALUE	% OF TOTAL DISTRICT NET ASSESSED VALUE	TAXABLE ASSESSED VALUE	% OF TOTAL DISTRICT NET ASSESSED VALUE
EAST GREENWICH TOWNSHIP				
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%
Total	\$ 37,704,200	3.11%	\$ 29,647,500	2.91%
SOUTH HARRISON TOWNSHIP				
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	2,416,900	0.62%		
Taxpayer #1	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%
Total	\$ 21,869,400	5.60%	\$ 23,897,500	5.89%

Source: Municipal Tax Assessor

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

TAXPAYERS	2022		2013	
	TAXABLE ASSESSED VALUE	% OF TOTAL DISTRICT NET ASSESSED VALUE	TAXABLE ASSESSED VALUE	% OF TOTAL DISTRICT NET ASSESSED VALUE
BOROUGH OF SWEDESBORO				
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%
Total	\$ 17,034,700	9.89%	\$ 17,303,296	9.02%
WOOLWICH TOWNSHIP				
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%
Total	\$ 117,170,710	8.70%	\$ 38,609,300	6.10%

Source: Municipal Tax Assessor

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

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
East Greenwich Township				
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%	-
2013	6,983,548	6,983,548	100.00%	-
South Harrison Township				
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%	-
2013	2,705,173	2,705,173	100.00%	-
Borough of Swedesboro				
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%	-
2013	1,393,609	1,393,609	100.00%	-
Woolwich Township				
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%	-
2013	7,129,680	6,576,712	100.00%	-

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

FISCAL YEAR ENDED JUNE 20,	GOVERNMENTAL ACTIVITIES				TOTAL DISTRICT	PERCENTAGE OF PER CAPITA INCOME	PER CAPITA
	GENERAL OBLIGATION BONDS	BOND ANTICIPATION NOTES (BANs)	LOAN PAYABLE				
2022	\$ 27,830,000	\$ -	\$ 983,077	\$	28,813,077	N/A	N/A
2021	30,455,000	-	1,387,593		31,842,593	N/A	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
2013	28,239,000	299,600	1,500,000		30,038,600	2.38%	1,092

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

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

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING			PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	DEDUCTIONS	NET GENERAL BONDED DEBT OUTSTANDING		
2022	\$ 27,830,000	\$ -	\$ 27,830,000	0.86%	N/A
2021	30,455,000	-	30,455,000	0.96%	967
2020	32,134,000	-	32,134,000	1.03%	1,073
2019	34,359,000	-	34,359,000	1.17%	1,169
2018	34,359,000	-	34,359,000	1.24%	1,181
2017	43,554,000	-	43,554,000	1.58%	1,521
2016	46,364,000	-	46,364,000	1.70%	1,633
2015	48,294,000	-	48,294,000	1.79%	1,704
2014	50,159,000	-	50,159,000	1.87%	1,781
2013	28,239,000	-	28,239,000	1.05%	1,026

**KINGSWAY REGIONAL SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2022**

<u>Governmental Unit</u>	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE (a)	ESTIMATED SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
East Greenwich Township	\$ 10,738,028	100.00%	\$ 10,738,028
South Harrison Township	-	100.00%	-
Swedesboro Borough	2,700,000	100.00%	2,700,000
Woolwich Township	46,228,905	100.00%	46,228,905
Other Debt:			
County of Gloucester	163,432,000	<u>Net County Apportioned</u>	
East Greenwich Township		1,251,892,500	4.59%
South Harrison Township		395,866,900	1.45%
Swedesboro Borough		172,831,100	0.63%
Woolwich Township		1,420,257,010	5.20%
			8,504,151
Subtotal, Overlapping Debt			79,072,333
Kingsway Regional School District Debt			27,830,000
Total Direct & Overlapping Debt			\$ 106,902,333

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**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Debt Limit	\$ 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	95,523,243
Total Net Debt Applicable to Limit	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	29,798,600
Legal Debt Margin	\$ 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	65,724,643
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	22.41%	27.50%	32.72%	33.64%	45.44%	48.37%	49.29%	50.47%	28.69%	31.20%

Legal Debt Margin Calculation for Fiscal Year 2022

	Equalized Valuation Basis			Total
	East Greenwich	South Harrison	Swedesboro	
2022	1,545,546,296	526,208,826	225,569,173	\$ 3,984,090,340
2021	1,311,929,379	453,401,255	197,517,954	\$ 3,444,421,494
2020	1,226,508,608	418,141,680	188,656,147	\$ 3,216,271,860
Average Equalized Valuation of Taxable Property				\$ 10,644,783,694
Debt Limit (3.5 % of Average Equalization Value)				\$ 3,548,261,231
Net Bonded School Debt				\$ 124,189,143
Legal Debt Margin				\$ 27,830,000
				\$ 96,359,143

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

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

YEAR	POPULATION (a)	PER CAPITA PERSONAL INCOME (c)	UNEMPLOYMENT RATE (d)
East Greenwich			
2022	N/A	N/A	N/A
2021	12,106	N/A	N/A
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%
2013	10,142	45,945	7.5%
South Harrison			
2022	N/A	N/A	N/A
2021	3,445	N/A	N/A
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%
2013	3,183	45,945	7.4%
Swedesboro Borough			
2022	N/A	N/A	N/A
2021	2,744	N/A	N/A
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%
2013	2,598	45,945	10.8%
Woolwich			
2022	N/A	N/A	N/A
2021	13,192	N/A	N/A
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%
2013	11,587	45,945	7.3%

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**

	2022		
	EMPLOYEES	RANK	PERCENTAGE OF TOTAL 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 (OPTIONAL)	PERCENTAGE OF TOTAL 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>		<u>N/A</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	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Instruction:										
Regular	179.0	177.5	173.0	160.5	151.5	148.0	149.0	149.0	144.0	136.0
Special Education	71.0	72.0	72.0	67.0	59.0	58.0	58.0	56.0	55.0	48.0
Other Instruction	0.0	0.0	0.0	0.0	0.0	8.0	8.0	8.0	8.0	2.0
Athletics & Extra-Curricular	2.0	2.0	2.0	3.0	2.0	3.0	3.0	3.0	3.0	3.0
Support Services:										
Student & Instruction Related Services	42.0	42.0	43.5	37.0	36.5	36.0	37.0	35.0	36.0	40.0
School Administrative Services	18.0	16.0	16.0	15.0	17.0	18.0	18.0	17.0	15.0	16.0
General Administrative Services	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	3.0	2.0
Plant Operations & Maintenance	37.0	40.0	36.0	33.0	33.0	36.0	36.0	36.0	36.0	30.0
Pupil Transportation	29.0	32.0	42.0	49.0	47.0	48.0	48.0	48.0	44.0	42.0
Business & Other Support Services	12.0	13.0	12.0	12.0	10.0	11.0	11.0	11.0	10.0	10.0
Food Service	19.0	14.0	25.0	26.0	27.0	28.0	28.0	28.0	24.0	24.0
Total	411.0	410.5	423.5	404.5	385.0	396.0	398.0	393.0	378.0	353.0

Source: District Personnel Records

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

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO			AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (d)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						SCHOOL	MIDDLE SCHOOL	HIGH SCHOOL				
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	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
High School (Grades 9-12)										
Square Feet	259,484	259,484	259,484	259,484	259,484	259,484	259,484	259,484	222,351	222,351
Capacity (Students)	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	1,454	1,454
Enrollment	1,882	1,784	1,774	1,740	1,750	1,771	1,685	1,664	1,597	1,540
Middle School (Grades 7-8)										
Square Feet	146,888	146,888	146,888	146,888	146,888	146,888	146,888	146,888	104,436	104,436
Capacity (Students)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	800	800
Enrollment	928	1,025	1,036	987	963	920	882	870	866	825

Number of Schools at June 30, 2022:

 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,	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District Facilities:										
Kingsway Regional Middle School	\$ 288,445	\$ 184,838	\$ 173,376	\$ 161,845	\$ 128,664	\$ 158,313	\$ 141,328	\$ 191,300	\$ 141,108	\$ 125,202
Kingsway Regional High School	508,744	324,927	383,674	256,600	234,421	227,482	269,720	278,942	320,229	202,997
Total School Facilities	\$ 797,189	\$ 509,765	\$ 557,050	\$ 418,445	\$ 363,085	\$ 385,795	\$ 411,048	\$ 470,242	\$ 461,337	\$ 328,199

* 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, 2022**

	COVERAGE	DEDUCTIBLE
School Package Policy (1)		
Commercial Property	\$ 106,685,248	\$ 1,000
Commercial General Liability	3,000,000	-
Commercial Automotive	1,000,000	2,000
Commercial Crime	100,000	1,000
Commercial Inland Marine	3,000,000	250
Data Breach & Privacy Security Liability (2)	1,000,000	-
Student Accident Insurance (3)		
Base	25,000	500
Catastrophic	2,500,000	25,000
Umbrella Liability (4)	10,000,000	-
Surety Bonds (5)		
Business Administrator/Board Secretary	250,000	-
Workmen's Compensation (6)	2,000,000	

- (1) Utica
- (2) Hiscox Insurance Company Inc.
- (3) Berkley Life and Health Insurance Company
- (4) Utica
- (5) Liberty Mutual
- (6) 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, 2022, 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 March 7, 2023.

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 one instance 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 as finding no. 2022-001.

The School District's Response to Findings

The School District's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The School District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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
March 7, 2023



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, 2022. 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, 2022.

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
March 7, 2023

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KINGSWAY REGIONAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR FISCAL YEAR ENDED JUNE 30, 2022

FEDERAL GRANTOR PASS THROUGH GRANTOR PROGRAM TITLE	FEDERAL FAIN NUMBER	ASSISTANCE LISTING NUMBER	PASS THROUGH ENTITY IDENTIFYING NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2021	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS	SUBRECIPIENT EXPENDITURES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2022	UNEARNED REVENUE AT JUNE 30, 2022	DUE TO GRANTOR AT JUNE 30, 2022
U.S. DEPARTMENT OF AGRICULTURE PASSED-THROUGH STATE DEPARTMENT OF AGRICULTURE:													
Enterprise Fund:													
Child Nutrition Cluster:													
National Assistance:													
Food Distribution Program		10.555	211N304N1099	Unavailable		\$ -	\$ 95,200	\$ (95,200)	\$ -	\$ -	\$ -	\$ -	\$ -
Child Nutrition Cluster:													
COVID-19 Healthy Hunger Free Kids Act		10.555	211N304N1099	100-016-3350-098	7/1/20-6/30/21	(1,318)	1,318	-	-	-	-	-	-
COVID-19 Emergency Operational Cost Reimbursement		10.555	211N304N1099	100-016-3350-112	7/1/21-6/30/22	-	1,242	(1,242)	-	-	-	-	-
COVID-19 National School Lunch Program		10.555	211N304N1099	100-016-3350-098	7/1/20-6/30/21	(66,061)	66,061	-	-	-	-	-	-
COVID-19 National School Lunch Program		10.555	201N304N1099	100-016-3350-098	7/1/21-6/30/22	-	1,311,898	(1,378,465)	-	-	(66,567)	-	-
Total Child Nutrition Cluster						(67,379)	1,475,719	(1,474,907)	-	-	(66,567)	-	-
COVID-19 Pandemic EBT Food Benefit Program		10.649	2022225000941	100-016-3350-115	7/1/21-6/30/22	-	24,493	(24,493)	-	-	-	-	-
Subtotal						-	24,493	(24,493)	-	-	-	-	-
Total Enterprise Fund						(67,379)	1,500,212	(1,499,400)	-	-	(66,567)	-	-
U.S. DEPARTMENT OF THE TREASURY PASSED-THROUGH STATE DEPARTMENT OF EDUCATION:													
Special Revenue:													
COVID-19 State and Local Fiscal Recovery Funds (ACRSERS)		21.027	SLPREDOEISES	100-034-5065-016	7/1/21-9/30/22	-	-	(21,866)	-	-	(21,866)	-	-
Total Special Revenue Fund						-	-	(21,866)	-	-	(21,866)	-	-
U.S. DEPARTMENT OF EDUCATION PASSED-THROUGH STATE DEPARTMENT OF EDUCATION:													
General Fund:													
Medical Assistance Program (SEMAP)		93.778	2065N35MAP	100-054-7540-211	7/1/20-6/30/21	-	1,714	(2,586)	-	-	(872)	-	-
Total General Fund						-	1,714	(2,586)	-	-	(872)	-	-
Special Revenue:						(106,107)	106,107	-	-	-	-	-	-
Title I		84.010	S010A200030	100-034-5064-194	7/1/20-9/30/21	-	39,870	(110,477)	-	-	(70,607)	-	-
Title I		84.010	S010A190030	100-034-5064-194	7/1/21-9/30/22	(106,107)	145,977	(110,477)	-	-	(70,607)	-	-
Subtotal						(11,882)	11,882	-	-	-	-	-	-
Title II		84.367	S367A200029	100-034-5063-290	7/1/20-9/30/21	-	15,625	(26,800)	-	-	(11,175)	-	-
Title II		84.367	S367A190029	100-034-5063-290	7/1/21-9/30/22	(11,882)	27,507	(26,800)	-	-	(11,175)	-	-
Subtotal						(2,225)	-	-	-	-	(2,425)	-	-
Title III - Consortium						(2,425)	-	-	-	-	(2,425)	-	-
Subtotal						(5,887)	5,887	-	-	-	-	-	-
Title IV		84.424	S424A200030	100-034-5063-348	7/1/20-9/30/21	-	191,289	-	-	-	-	-	-
Subtotal						(191,289)	191,289	-	-	-	-	-	-
Special Education Cluster:						(191,289)	392,758	(498,286)	-	-	(105,528)	-	-
I.D.E.A. Part B, Basic Regular		84.027A	H027A200100	100-034-5065-016	7/1/21-9/30/22	-	384,047	(498,286)	-	-	(105,528)	-	-
I.D.E.A. Part B, Basic Regular		84.027A	H027A210100	100-034-5065-016	7/1/21-9/30/22	(191,289)	122,380	(125,243)	-	-	(2,863)	-	-
Subtotal						-	122,380	(125,243)	-	-	(2,863)	-	-
I.D.E.A. Part B, ARP		84.027X	H027X210100	100-034-5065-016	7/1/21-9/30/22	-	706,427	(623,529)	-	-	(108,291)	-	-
Subtotal						(191,289)	706,427	(623,529)	-	-	(108,291)	-	-
Total Special Education Cluster						(25,642)	25,707	(63)	(2)	-	-	-	-
Education Stabilization Fund:						(25,642)	25,707	(63)	(2)	-	-	-	-
COVID-19 Education Stabilization Fund		84.425D	S425D200026	100-034-5120-513	3/13/20-9/30/23	-	365,238	(449,471)	-	-	(84,233)	-	-
Subtotal						-	29,026	(29,026)	-	-	-	-	-
COVID-19 CRSSA - ESSER II		84.425D	S425D200027	100-034-5120-518	3/13/20-9/30/23	-	17,651	(14,492)	-	-	(3,159)	-	-
COVID-19 CRSSA - ESSER II - Accelerated Learning		84.425D	S425D200027	100-034-5120-518	3/13/20-9/30/23	-	411,915	(510,640)	-	-	(98,725)	-	-
Subtotal						-	1,016,527	(830,296)	-	-	(830,296)	-	-
COVID-19 ARP ESSER III		84.425U	S425U1210027	100-034-5120-523	3/13/20-9/30/24	-	88,501	(9,500)	-	-	(9,500)	-	-
COVID-19 ARP ESSER III - Mental Health		84.425U	S425U1210027	100-034-5120-523	3/13/20-9/30/24	-	(839,796)	(839,796)	-	-	(839,796)	-	-
Subtotal						(25,642)	437,622	(1,350,499)	(2)	-	(938,521)	-	-
Total Education Stabilization Fund:						(345,232)	1,323,420	(2,111,305)	(2)	-	(1,131,119)	-	-
Total Special Revenue Fund						\$ (410,611)	\$ 2,825,346	\$ (3,635,157)	\$ (2)	\$ -	\$ (1,220,424)	\$ -	\$ -

KINGWAY REGIONAL SCHOOL DISTRICT
SCHEDULE OF STATE FINANCIAL ASSISTANCE
FOR FISCAL YEAR ENDED JUNE 30, 2022

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT		CASH RECEIVED	BUDGETARY EXPENDITURES	SUB RECEIPT EXPENDITURES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2022	MEMO	
				JUNE 30, 2021	JUNE 30, 2022					BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
State Department of Education:											
General Fund:											
State Aid Public:											
Equalization Aid	495-034-5120-078	\$ 13,051,854	7/1/21-6/30/22	\$ -	\$ 13,051,854	\$ (13,051,854)	\$ -	\$ -	\$ -	\$ 1,230,534	\$ 13,051,854
Special Education Categorical Aid	495-034-5120-089	2,148,364	7/1/21-6/30/22	-	2,148,364	(2,148,364)	-	-	-	202,549	2,148,364
Security Aid	495-034-5120-084	232,812	7/1/21-6/30/22	-	232,812	(232,812)	-	-	-	21,950	232,812
Total State Aid Public				-	15,433,030	(15,433,030)	-	-	-	1,455,033	15,433,030
Transportation Aid	495-034-5120-014	1,518,262	7/1/21-6/30/22	-	1,518,262	(1,518,262)	-	-	-	143,142	1,518,262
Extraordinary Aid	495-034-5120-044	315,123	7/1/20-6/30/21	(315,123)	315,123	-	-	-	-	-	-
Extraordinary Aid	495-034-5120-044	597,149	7/1/21-6/30/22	-	597,149	(597,149)	-	-	(597,149)	-	597,149
Securing Our Children's Future Bond Act	unavailable	112,489	7/1/21-6/30/22	-	112,489	(112,489)	-	-	-	-	112,489
Additional Non-Public School Transportation Aid	495-034-5120-014	56,840	7/1/20-6/30/21	(56,840)	56,840	-	-	-	-	-	-
Additional Non-Public School Transportation Aid	495-034-5120-014	62,930	7/1/21-6/30/22	-	62,930	(62,930)	-	-	(62,930)	-	62,930
Reimbursed TPAF Social Security Contribution	495-034-5094-003	1,343,339	7/1/21-6/30/22	-	1,277,194	(1,343,339)	-	-	(66,145)	-	1,343,339
Reimbursed TPAF Social Security Contribution	495-034-5094-003	1,236,794	7/1/20-6/30/21	(60,671)	60,671	-	-	-	-	-	-
Noncash Assistance:											
TPAF - Pension Contribution	495-034-5094-002	5,838,902	7/1/21-6/30/22	-	5,838,902	(5,838,902)	-	-	-	-	5,838,902
TPAF - Post Retirement Medical Contribution	495-034-5094-001	1,364,203	7/1/21-6/30/22	-	1,364,203	(1,364,203)	-	-	-	-	1,364,203
TPAF - Long-Term Disability Insurance	495-034-5094-003	3,496	7/1/21-6/30/22	-	3,496	(3,496)	-	-	-	-	3,496
Total General Fund Assistance				(432,634)	25,980,210	(26,273,800)	-	-	(726,224)	1,598,175	26,273,800
Special Revenue Fund:											
N.J. School Development Authority Aid:											
Emergent and Capital Maintenance Needs	unavailable	71,822	7/1/21-6/30/22	-	71,822	(71,822)	-	-	-	-	71,822
Total Special Revenue Fund Assistance				-	71,822	(71,822)	-	-	-	-	71,822
Debt Service Fund:											
Debt Service Aid	495-034-5120-075	546,376	7/1/21-6/30/22	-	546,376	(546,376)	-	-	-	-	546,376
Total Debt Service Fund Assistance				-	546,376	(546,376)	-	-	-	-	546,376
State Department of Community Affairs:											
Special Revenue Fund:											
Local Efficiency Achievement Program (LEAP)	unavailable	75,000	7/1/21-6/30/22	-	-	(74,000)	-	-	(74,000)	-	74,000
Total Special Revenue Fund Assistance				-	-	(74,000)	-	-	(74,000)	-	74,000
State Department of Agriculture:											
Enterprise Fund:											
National School Lunch Program	100-010-3350-023	38,675	7/1/20-6/30/21	(8,861)	8,861	-	-	-	-	-	-
National School Lunch Program	100-010-3350-023	32,406	7/1/21-6/30/22	-	30,874	(32,406)	-	-	(1,532)	-	32,406
Total Enterprise Fund Assistance				(8,861)	39,735	(32,406)	-	-	(1,532)	-	32,406
Total State Financial Assistance				\$ (441,495)	\$ 26,638,143	\$ (26,998,404)	\$ -	\$ -	\$ (801,756)	\$ 1,598,175	\$ 26,998,404
On-Behalf TPAF Pension Contributions											
On-Behalf TPAF Post-Retirement											
On-Behalf TPAF Post-Retirement											
Total State Financial Assistance Reported on Single Audit Summary											\$ (19,791,803)

**KINGSWAY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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, 2022. 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, 2022.

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, 2022**

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 \$(322,692) for the general fund and \$(728,576) 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	\$ 2,586	\$ 25,951,108	\$ 25,953,694
Special Revenue Fund	1,531,976	20,853	1,552,829
Debt Service Fund	-	546,376	546,376
Food Service Fund	1,499,400	32,406	1,531,806
	<hr/>	<hr/>	<hr/>
Total Awards & Financial Assistance	<u>\$ 3,033,962</u>	<u>\$ 26,550,743</u>	<u>\$ 29,584,705</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, 2022.

**KINGSWAY REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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
495-034-5120-014	
495-034-5094-003	Transportation Aid
	Reimbursed TPAF Social Security Contributions

**KINGSWAY REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

Finding No. 2022-001

Criteria or Specific Requirement:

In accordance with N.J.A.C 6A:26-4.9(a)(3), a District should not approved expenditures without certifying the availability of funds.

Condition:

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

Context:

The District incurred soft costs related to an approved capital project but made the expenditures prior to funds being available.

Effect:

The District's financial records reflect a negative fund balance in the Capital Projects Fund.

Cause:

Due to the transfer from capital reserve not being approved until the 2022/23 budget.

Recommendation:

The district should only expend funds after availability of such funds has been approved.

View of Responsible Officials and Planned Corrective Action:

The District approved the appropriate funding of the capital project, but due to timing issues the funds were not transferred into the Capital Projects Fund until July 1, 2022.

**KINGSWAY REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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, 2021**

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. 2021-001

Condition

The School District's Food Service Fund Net Cash Resources exceeded its three months average.

Current Status

The finding has been determined to be immaterial for the current year.

Federal Awards:

Finding No. 2021-001

Condition

The School District's Food Service Fund Net Cash Resources exceeded its three months average.

Current Status

The finding has been determined to be immaterial for the current year.

State Financial Assistance:

No Prior Year Findings.