

KINGSWAY REGIONAL SCHOOL DISTRICT

213 Kings Highway
Woolwich, New Jersey 08085
www.krsd.org

2026-2027 TENTATIVE BUDGET IN BRIEF



“Committed to Excellence”

2026-2027 Tentative Budget

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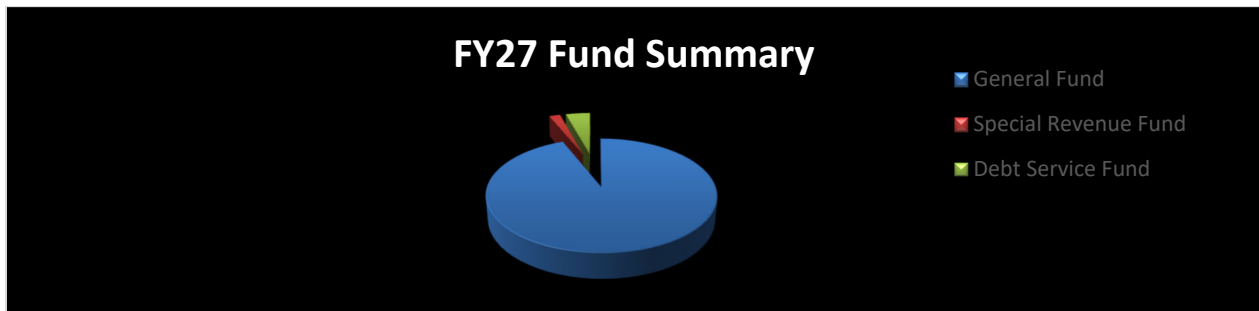
Financial Overview

Budgetary Summary

The Kingsway Regional School District’s tentative budget for the 2026-2027 school year totals \$65,231,043, an increase of \$1,868,139 (2.95%), and is comprised of three primary funds:

- **General Fund** - The general fund, which serves as the district’s primary operating budget, accounts for all financial resources except those required to be allocated to other funds. For FY27, the general fund is projected at \$61,503,478, reflecting an increase of \$2,047,478 (3.44%) from the current year.
- **Special Revenue Fund** - The special revenue fund manages proceeds from specific revenue sources that are legally restricted for designated purposes. This includes local, state and federal grants-in-aid such as I.D.E.A., and ESSA, as well as student activity and scholarship funds, which are reported in accordance with GASB Statement No. 84. The FY27 special revenue fund totals \$1,069,222.
- **Debt Service Fund** - The debt service fund is designated for the accumulation of resources for, and the payment of, long-term debt, including principal and interest. Revenue sources for this fund include state aid, tax levy contributions, and transfers from capital projects or capital reserves. For FY27, the debt service fund is \$2,658,343.

	Actual			Revised FY26	Proposed FY27
	FY23	FY24	FY25		
General	50,037,019	50,295,894	55,344,121	59,626,703	61,503,478
Special Revenue	1,973,120	1,832,505	1,893,258	1,315,986	1,069,222
Debt Service	3,330,458	3,283,885	2,750,250	2,693,004	2,658,343
	55,340,597	55,412,285	59,987,629	63,635,693	65,231,043



Revenue Summary

Revenue refers to the funds or income a school district receives from various sources to support its operations and services. Revenues are essential for funding a district’s operating budget and ensuring the continued delivery of educational services. They are the financial resources used to cover the appropriations (expenditures) within the budget.

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General Fund

The tentative operating budget (General Fund) for FY27 is projected to total \$61,503,478. This fund serves as the primary financial resource for the district's day-to-day operations and is supported by five (5) key revenue sources:

1. **Local Tax Levy** – The largest source of revenue, generated through property taxes, which provides essential funding for district operations and ensures the financial stability of educational programs.
2. **State Aid** – Allocations from the state government, which help offset operational costs and support mandated programs, including special education, student transportation, security, and other district-wide initiatives.
3. **Tuition** – Revenue received from non-resident students attending district programs, including specialized services and shared educational arrangements with other districts (Logan Township).
4. **Fund Balance (Excess Surplus); and capital reserve** – Funds carried over from prior years, including excess surplus and designated capital reserves, which help support financial stability, infrastructure improvements, and emergency expenditures.
5. **Miscellaneous Sources** - Additional revenue streams, including facility rental fees, interest income, student participation fees, and athletic event admission fees, which contribute to the overall financial health of the district.

	<u>2025-26</u>	<u>2026-27</u>	<u>\$ Inc./.(Dec.)</u>	<u>% Inc./.(Dec.)</u>
Local Tax Levy	27,575,707	29,428,644	1,852,937	6.72%
State Aid	24,421,979	24,114,473	(307,506)	-1.26%
Tuition	4,374,788	4,860,968	486,180	11.11%
Fund Balance/Reserves	2,764,447	2,696,800	(67,647)	-2.45%
Miscellaneous	489,782	402,593	(87,189)	-17.80%
Total General Fund	59,626,703	61,503,478	1,876,775	3.15%

Local Tax Levy. The FY27 general fund is primarily supported by \$29,428,644 in local property taxes, reflecting a \$1,852,937 (6.72%) over the current year. This increase includes a health benefits waiver of \$1,301,423, which allows the district to exceed the 2% tax levy cap due to rising health care costs that will be discussed in another section.

State Aid. On March 10, 2026, Governor Sherrill delivered her budget address to a joint session of the Legislature. Two days later, school districts across the state received their preliminary state aid figures for FY27. Kingsway is projected to receive \$23,729,473 in state aid, a decrease of \$392,506 (-1.60%) from FY26, maintaining full SFRA funding.

Tuition. Kingsway receives tuition revenue from Logan Township School District for educating its high school aged students on a per-pupil basis. In FY27, an estimated 283 Logan students will attend Kingsway at a regular education rate of \$15,108 per student. After adjusting for prior-year tuition adjustments and additional costs for students with special needs, total tuition revenue is projected at \$4,860,968, an increase of \$486,180 (11.11%) over FY26.

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Capital Reserve. To support critical facility improvements without placing additional strain on taxpayers, the FY27 tentative budget utilizes \$2,350,000 from the district’s capital reserve account. This approach allows for long-term financial planning while maintaining district facilities in compliance with safety and educational standards.

Budgeted Fund Balance. The district is allocating \$346,800 in budgeted fund balance, consisting of funds from FY25 that exceed the legally restricted unassigned fund balance thresholds. While it provides essential short-term financial flexibility, fund balance is a one-time revenue source, making it unsustainable for recurring expenditures. As a result, the district remains strategic and fiscally responsible, ensuring that long-term financial planning prioritizes stability and sustainability while minimizing future budgetary risk.

Miscellaneous. Kingsway continues to diversify its revenue sources to reduce reliance on local property taxes. The FY27 budget includes:

- **Athletic Registration Fees:** The district’s athletic registration fees play a crucial role in maintaining and expanding extracurricular opportunities for student-athletes. For FY27, anticipates revenue from these fees totaling \$170,000, directly supporting the costs of coaching stipends, equipment, transportation, uniforms, and facility maintenance. While these fees help offset rising operational expenses, they also ensure that the district can continue offering a wide range of athletic programs without compromising quality. Recognizing the importance of equitable access, the district remains committed to providing financial assistance and fee waivers for families in need, ensuring that no student is denied the opportunity to participate due to financial constraints. By balancing affordability with sustainability, the district can preserve and enhance its athletic programs, benefiting students and the broader school community.
- **Facility Rental Income:** The district actively seeks to maximize the use of its facilities by renting available spaces to community organizations, athletic leagues, and other outside entities. Revenue generated from facility rentals helps offset operational costs and supports student programs. For FY27, the district anticipates \$50,000 in facility rental income, derived from the use of gymnasiums, auditoriums, athletic fields, and meeting spaces. By leveraging these resources, the district not only fosters strong community partnerships but also creates an additional revenue stream that reduces reliance on taxpayer contributions.
- **Athletic Gate Receipts:** Athletic events serve as a vital source of community engagement and school spirit while also generating revenue to help support the district’s sports programs. For FY27, the district anticipates \$20,000 in athletic gate receipts, which are collected from ticket sales at various sporting events, including football, basketball, wrestling, and other high-attendance competitions. These funds help offset costs associated with game-day operations, equipment, officiating fees, and facility maintenance. By promoting attendance and enhancing the spectator experience, the district aims to maximize revenue while continuing to provide high-quality athletic opportunities for students.
- **Other Local Sources:** In addition to primary funding streams, the district leverages various local revenue sources to support its operating budget. For FY27, the district anticipates \$138,500 in revenue from other local sources, which may include donations, sponsorships, investment earnings, fines, refunds and other community partnerships.

How the State’s School Funding Formula (SFRA) Works

The School Funding Reform Act (SFRA), enacted in 2008, is New Jersey’s formula-based approach to distributing state aid to public schools. It aims to allocate funding equitably, ensuring that each district has

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the resources necessary to provide a “thorough and efficient” education, as required by the New Jersey State Constitution. The SFRA calculates each district’s funding needs based on student enrollment, demographics, and local wealth, ensuring that aid is distributed fairly amongst the districts.

Key Components of the SFRA Formula

- **Adequacy Budget** - The State of New Jersey determines the adequacy budget, which represents the funding necessary for a school district to provide a thorough and efficient education as required by law. To determine how much the local community should contribute, the state calculates the Local Fair Share (LFS) – the amount it believes the district can raise through property taxes, based on community income and equalized property valuations.

If a gap exists between the adequacy budget and the local fair share, the state is responsible for covering that shortfall through Equalization aid. For FY27, the state has calculated Kingsway’s adequacy budget at \$56,499,681. However, the district’s total adequacy spending, which includes Equalization aid plus the local tax levy, is tentatively set at \$49,725,514. This results in a shortfall of \$6,774,167, meaning Kingsway will operate at 88.01% of its adequacy budget, falling short of the amount the state deems necessary to provide a fully funded, or thorough and efficient, education.

- **Local Fair Share (“LFS”)** - The district’s tentative budget for FY27 includes a 6.72% increase in the general fund tax levy, amounting to an additional \$1,852,937. This brings the total general fund tax levy to \$29,428,644.

However, according to the state’s calculations, Kingsway’s Local Fair Share – the amount the district should be able to contribute based on property values and income – is \$38,918,202. This means the proposed local tax levy is \$9,489,558 below the state’s expectation, covering only 75.62% of the district’s calculated local fair share. As a result, despite reaching full state aid entitlement, Kingsway remains significantly underfunded compared to what the state defines as necessary for providing an adequate education.

- **State Aid Distribution** - For FY27, Kingsway will receive \$23,729,473 in state formula aid, maintaining 100% of its full SFRA entitlement. This marks a significant improvement from FY19, when the district received only \$9.6 million – just 47.8% of its then un-capped \$20.1 million SFRA allocation. The redistribution of state aid under S2, implemented in 2018, played a crucial role in gradually restoring Kingsway’s funding to its full entitlement, ensuring a more equitable distribution of state resources.

The Impact of SFRA and S2 on Kingsway Regional

Kingsway Regional School District, like many growing, underfunded districts in New Jersey, was historically shortchanged under the state’s school funding system prior to S2 (2018). The School Funding Reform Act (SFRA) of 2008 established a formula-based method to distribute state aid, but Kingsway received significantly less than its full entitlement for years. Prior to FY19, Kingsway faced persistent underfunding due to:

- **Rapid Enrollment Growth** – The student population increased, but state aid did not keep pace.
- **Aid Caps and Adjustment Aid** – SFRA included growth caps, limiting Kingsway’s ability to receive its full entitlement. Meanwhile, wealthier districts continued receiving adjustment aid, even while enrollments were shrinking.

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- **High Reliance on Local Tax Levy** – Due to insufficient state aid, Kingsway had to rely heavily on local property taxes, while being restricted by New Jersey’s 2% tax levy cap, yet still remained below its Local Fair Share (LFS).

S2 was a law passed in 2018 that revised New Jersey’s school funding formula, primarily phasing out “adjustment aid” and redistributing state aid to more accurately reflect student enrollment and local fiscal capacity. For underfunded school districts (those receiving less than their full equalization aid amounts under the School Funding Reform Act of 2008, or SFRA), S2 provided increases in state aid over a seven-year period (2019-2025). More specifically, Kingsway benefited in the following ways:

- **2018-19 (Year 1 of S2 Phase-in)** – Kingsway received a \$2,129,970 increase in state aid (22.2%), bringing total SFRA aid for FY19 to \$11,729,113 and raising the district’s funding level to 58% of full SFRA funding.
- **2019-20 (Year 2)** – State aid grew by \$1,152,061 (9.8%), increasing Kingsway’s total SFRA aid to \$12,881,174 and boosting its funding level to 62.6%.
- **2020-21 (Year 3)** – Kingsway saw a \$683,172 increase (5.3%) in state aid, bringing the district’s total to \$13,564,346. However, despite the funding rise, the district’s SFRA funding level dipped slightly to 61%.
- **2021-22 (Year 4)** – A substantial \$3,386,946 boost (25.0%) in state aid raised Kingsway’s SFRA aid to \$16,951,292, pushing the district’s funding level to 74.6%.
- **2022-23 (Year 5)** – State aid surged by \$3,203,251 (18.9%), elevating Kingsway’s total to \$20,154,543 and advancing its funding level to 88.5% of full SFRA funding.
- **2023-24 (Year 6)** – With an increase of \$2,551,575 (12.7%), Kingsway’s SFRA aid climbed to \$22,706,118, bringing the district closer to full funding at 96.6%.
- **2024-25 (Year 7)** – The final phase-in year saw a modest \$573,217 increase (2.5%), securing Kingsway’s total SFRA aid at \$23,279,335 and achieving 100% of full SFRA funding.

While S2 helped Kingsway reach full SFRA funding, the 2% tax levy cap continues to limit the district’s ability to fully meet its adequacy budget. Unless policy changes are made to adjust the tax levy cap or eliminate it altogether, Kingsway may continue to face structural deficits, making it difficult to provide the level of education the state deems necessary.

Potential Legislative Measures to Address Challenges Posed by SFRA

As of March 2026, multiple bills and resolutions under consideration in the New Jersey Legislature seek to address ongoing challenges with the School Funding Reform Act (SFRA), including proposals to stabilize state aid, establish supplemental funding mechanisms for districts experiencing aid reductions, and review the adequacy and structure of the current funding formula.

Governor Sherrill’s Proposed Budget Adjustments

On March 10, 2026, Governor Mikie Sherrill unveiled her \$60.7 billion budget plan that included the same adjustments to the school funding formula as Former Governor Phil Murphy proposed. These adjustments are intended to promote greater stability in state aid allocations and reduce year-to-year volatility experienced by school districts. Her key proposals include:

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- **Capping Changes to School Aid** – Maintaining limits on annual fluctuations in most categories of school aid to provide districts with more predictable funding levels.
- **Revising Special Education Funding** – Updating the methodology used to calculate special education aid to better align with current student needs and costs.
- **Three Year Averaging for Data Inputs** – Implementing multi-year averaging for key data elements used in determining Local Fair Share, thereby reducing sharp funding swings.

Collectively, these proposals aim to provide districts with a more stable financial outlook and increased flexibility in managing budgetary pressures. For districts like Kingsway Regional—historically impacted by underfunding and constrained by the 2% tax levy cap—such changes could have meaningful implications for long-term financial planning and sustainability.

Special Revenue Fund - The special revenue fund for FY27 is projected to total \$1,069,222. This fund is comprised of restricted revenues that are designated for specific programs and initiatives, supplementing the district’s general operating budget. The special revenue fund is primarily supported by three (3) key sources:

	Actual			Revised	Proposed
	FY23	FY24	FY25	FY26	FY27
Local	1,108,074	414,693	1,047,258	539,077	538,500
State	-	73,425	99,341	19,791	13,419
Federal	865,046	1,344,387	746,659	757,118	517,303
Total	1,973,120	1,832,505	1,893,258	1,315,986	1,069,222

Local Sources. Local revenue consists primarily of student activity funds, scholarship funds, and miscellaneous sources such as wellness and security grants. The district projects \$538,500 in local revenue for FY27, a decrease from the previous year due to lower anticipated other grants. While student activity revenue fluctuates based on participation and fundraising, it remains a crucial source of funding for extracurricular programs and student initiatives.

State Sources. State funding includes specialized grants and restricted entitlements that support specific programs. In FY27, the district anticipates receiving \$13,419 from state sources. This decrease is due to budgeting at 75% of current year grants. State funds will contribute to restricted program costs associated with nonpublic school districts located within our region.

Federal Sources. Federal funding plays a vital role in supporting specialized programs, including special education, supplemental academic services, and student support initiatives. For FY27, the Kingsway Regional School District anticipates receiving \$517,303 in federal revenue, a decline from previous years as pandemic-related funding streams have expired. Federal grants remain a critical component of the district’s budget, though anticipated reductions due to national policy changes could impact future funding levels. The district's federal revenue is derived from the following key programs:

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Elementary and Secondary Education Act (ESSA) Grants:

1. **Title I (\$58,294):** Supports programs for disadvantaged students, including targeted interventions and academic support services. This funding is expected to decrease slightly due to federal budget constraints.
2. **Title II (\$26,315):** Provides professional development for educators, improving instructional quality and leadership effectiveness. Anticipated cuts in federal discretionary spending could further reduce this funding in the coming years.
3. **Title III (\$0):** Previously allocated for English language learners, no funding is anticipated in FY27.
4. **Title IV (\$0):** Supports student well-being, safe learning environments, and enrichment programs but the District cannot anticipate receiving these funds.

Individuals with Disabilities Education Act (IDEA) Grants:

1. **IDEA Part B (\$432,694):** This remains the largest source of federal funding, supporting special education services. However, potential federal budget tightening under the current administration may put pressure on future allocations.

Debt Service Fund

The debt service fund for FY27 is projected to total \$2,658,343. This fund is designated exclusively for the repayment of outstanding debt obligations incurred from bonds issued to finance capital projects, including facility renovations, additions, and infrastructure improvements. The debt service fund is primarily supported by three (3) key sources:

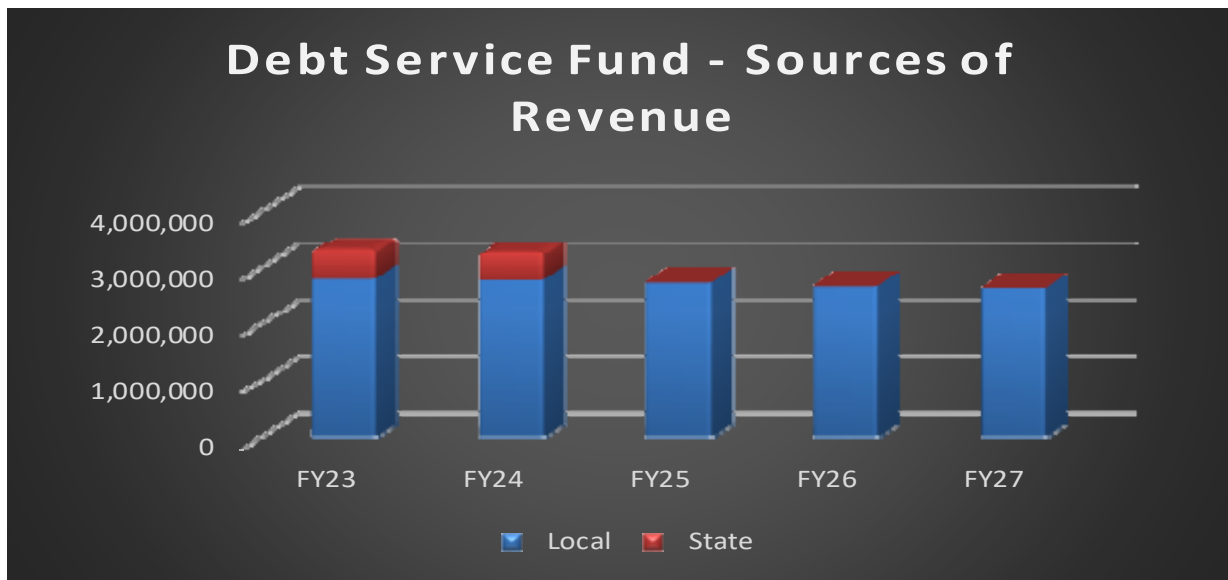
- **Local Tax Levy** – A dedicated portion of property taxes collected specifically for debt repayment. This levy is separate from the general fund tax levy and is used to cover principal and interest payments on outstanding bonds.
- **State Debt Service Aid** – Financial assistance provided by the State of New Jersey to help offset the cost of debt service, particularly for state-approved school construction projects. The amount varies based on the district's eligibility and state funding formulas.
- **Other Revenue Sources** – In addition to the tax levy and state aid, school districts may utilize other less common financial mechanisms to support debt service payments, including:
 1. **Refunding bonds and refinancing savings** – If market conditions allow, a district may refinance existing debt through refunding bonds, which can lower interest costs and result in savings that can be applied to future debt payments.
 2. **Transfers from Capital Projects Fund (Unspent bond proceeds)** – If a district completes a capital project under budget or has remaining unspent bond proceeds, those excess funds may be transferred from the capital projects fund to the debt service fund, subject to legal and regulatory guidelines. These transfers help reduce the outstanding debt burden.

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	Actual			Revised FY26	Proposed FY27
	FY23	FY24	FY25		
Local Sources					
Local Tax Levy	2,744,191	2,791,048	2,750,250	2,693,004	2,658,343
Transfers from Capital Projects Fund	-	-	-	-	-
Total Local Sources	2,744,191	2,791,048	2,750,250	2,693,004	2,658,343
State Sources					
Debt Service Aid Type II	520,736	492,837	-	-	-
Total State Sources	520,736	492,837	-	-	-
 Actual Revenues (Over)/Under Expenditures	 65,531	 -	 -	 -	 -
Total Debt Service Fund	3,330,458	3,283,885	2,750,250	2,693,004	2,658,343

Local Tax Levy. The FY27 local tax levy for debt service is projected at \$2,658,343, reflecting a reduction of \$34,661 compared to the current year.

Debt Service Aid. Unfortunately, the district’s existing debt does not qualify for state debt service aid, meaning 100% of the principal and interest payments must be funded through the local tax levy.



Appropriation Summary

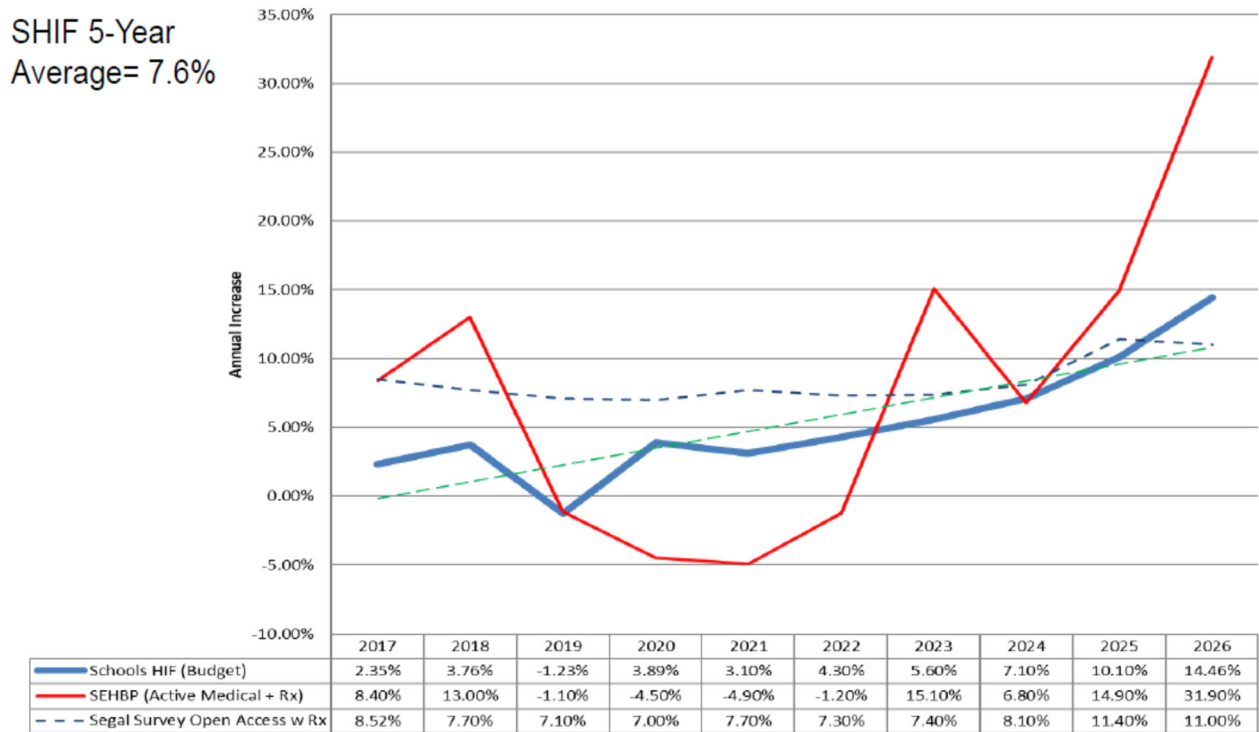
Appropriations refer to the authorized amounts of money that a school district sets aside and allocates for specific purposes within a budget. It represents the legal permission granted to spend funds for particular expenditures, such as salaries, employee benefits, purchased educational services, capital projects, and debt repayments. Each appropriated amount is assigned to a specific function, ensuring that resources are allocated efficiently to meet the district’s goals and obligations.

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In summary, revenues must meet appropriations because the total income the district expects to receive must align with the planned expenditures in the budget. This balanced approach ensures that the district operates within its means and provides services effectively without overspending. The connection between revenues and appropriations is fundamental to maintaining fiscal discipline and ensuring the financial health of the school district.

General Fund Appropriation Highlights and Cost Drivers

Employee Benefits. Kingsway is a proud member of the Schools Health Insurance Fund (SHIF), a self-funded, cooperative health benefits program designed specifically for New Jersey school districts. By participating in the SHIF, Kingsway benefits from a shared-risk pool, which allows districts to collectively manage and control health insurance costs more effectively than traditional insurance models. Below is a comparison of SHIF’s annual premium increases versus the State Employee Health Benefits Program (SEHBP):



The SHIF employs multiple strategies to control healthcare costs while maintaining high-quality coverage. These strategies focus on risk management, negotiated pricing, cost-sharing, and administrative efficiencies. The SHIF operates as a self-funded health insurance program, meaning districts pay for actual claims rather than fixed premiums to a commercial insurer. Surpluses, when claims are lower than expected, are retained and used for rate stabilization, rather than generating profits for an insurance company.

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Projected Increase in Health Benefits (2026/27 Budget)

The SHIF projects a 14.14% overall increase in the 2026/27 health benefits budget. The primary cost drivers include:

- **Medical Claims** – Projected to increase 14.19%, from \$666.4M to \$760.9M.
- **Prescription Claims (Net of rebates)** – Another significant 23.12% increase, from \$78.7M to \$96.9M.

Impact on District Assessments: The SHIF applies differentiated rate increases based on plan selection and loss ratios:

- Educator Health Plan (EHP) - Medical: +11.5%
- Garden State Plan (GSP) - Medical: +12.4%
- Legacy Plans: Medical: +17.7%
- EHP/GSP - Prescription: +21.4%
- Legacy Prescription Plans: +27.5%
- Average district renewal (Medical and Prescription combined): +15.8% increase

The total projected increase for Kingsway’s health benefits is outlined in the table below:

Plan Year Carrier	July 2025 -June 2026		July 2026 -June 2027		% variance	\$ variance
	Monthly	Annual	Monthly	Annual		
ACTIVE MEMBERS						
MEDICAL - SHIF/AHA	\$604,825	\$7,257,900	\$692,099	\$8,305,188	14.43%	\$1,047,288
PRESCRIPTION - SHIF/Express Scripts	\$132,302	\$1,587,624	\$164,362	\$1,972,344	24.23%	\$384,720
DENTAL - SHIF /Delta Dental	\$19,239	\$230,868	\$19,239	\$230,868	0.00%	\$0
ACTIVE Total Plan Gross Costs	\$756,366	\$9,076,392	\$875,700	\$10,508,400	15.78%	\$1,432,008

Financial Impact on Kingsway’s Budget - The total increase of nearly \$1.4 million represents a major budgetary challenge for Kingsway. As one of the district’s largest fixed expenditures, rising health insurance premiums continue to outpace revenue growth, limiting flexibility in other crucial areas. As Kingsway continues to navigate these rising expenses, we remain committed to evaluating cost-saving measures while ensuring our employees receive comprehensive, high-quality healthcare coverage.

Special Education - In New Jersey public schools, specialized programs and out-of-district placements for special education students represent some of the most significant cost drivers in our budget. Among these, Private schools for students with disabilities (PSSDs) play a vital role in serving students whose unique and complex needs cannot be adequately met within their home district. These state-approved schools provide specialized educational programs tailored to address severe cognitive, behavioral, physical, and medical disabilities, ensuring students receive the necessary support to succeed.

However, placements in PSSDs come with substantial financial implications, making them one of the most significant expenditures within our budget. The chart below provides a detailed breakdown of all tuition-related expenses, including those associated with these placements:

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	Actual			Revised	Proposed
	FY23	FY24	FY25	FY26	FY27
Tuition to Other LEAs within the State - Reg Ed	23,390	16,189	17,500	20,000	20,000
Tuition to Other LEAs within the State - Sp Ed	31,100	57,501	119,000	35,000	-
Tuition to County Vocational School District - Reg Ed	557,157	515,722	487,280	515,970	539,333
Tuition to County Vocational School District - Sp Ed	101,138	108,357	97,710	100,448	42,167
Tuition to County Special Services School District	1,473,114	1,249,730	992,440	1,167,599	1,909,952
Tuition to Private Schools for the Disabled in State	1,094,541	1,022,795	1,901,097	2,078,105	1,274,759
Tuition to Private Schools for the Disabled out of State	43,000	-	-	-	-
Tuition - State Facilities	4,500	4,499	41,897	45,000	44,018
Tuition - Other	-	-	-	-	-
	3,327,940	2,974,793	3,656,924	3,962,122	3,830,229

Tuition costs are projected to decrease by 0.8% for the coming year. This reduction reflects the district's continued efforts to serve more students within our own programs and to return students to in-district placements whenever appropriate. While this decline represents positive progress, tuition expenditures remain a critical component of the special education budget, ensuring that students with complex needs receive the specialized support and services necessary for their success.

In contrast, transportation costs for these students continue to rise and represent a growing financial challenge. Increases are driven by several factors, including longer travel distances for out-of-district placements, rising fuel costs, a greater demand for specialized transportation services, and higher vendor contract rates. The district remains committed to providing safe, reliable, and compliant transportation for all students; however, these escalating costs place additional pressure on the overall budget. The chart below provides a detailed breakdown of student transportation expenditures, including those associated with specialized services:

	Actual			Revised	Proposed
	FY23	FY24	FY25	FY26	FY27
Salaries of Non-Instructional Aides	24,386	21,259	58,535	32,959	37,951
Salaries (Between Home & School) - Reg Ed	456,094	441,065	500,165	436,793	634,415
Salaries (Between Home & School) - Sp Ed	34,287	30,274	29,475	25,368	20,368
Salaries (Other than Between Home & School)	83,409	138,972	95,000	100,000	130,000
Other Purchased Professional and Technical Services	3,599	1,335	3,625	8,125	5,125
Cleaning, Repair, and Maintenance Services	-	-	2,500	7,500	7,500
Lease Purchase Payments - School Buses	103,002	103,002	103,002	-	165,000
Aid in Lieu of Transportation - Non-Public Schools	183,872	240,199	253,425	264,000	300,000
Contracted Services (Home & School) - Vendors	1,868,105	2,304,844	2,600,561	2,695,375	2,764,000
Contracted Services (Other than Home & School) - Vendors	104,247	67,127	83,950	46,500	31,900
Contracted Services (Sp Ed Students) - Vendors	235,864	291,296	1,777,535	2,192,455	2,050,000
Contracted Services (Sp Ed Students) - Joint Agreements	25,647	25,314	22,065	25,000	-
Contracted Services (Reg Ed Students) - ESCs	404,315	207,516	67,485	25,000	47,200
Contracted Services (Sp Ed Students) - ESCs	1,100,964	1,353,895	131,470	-	-
Miscellaneous Purchased Services	76,656	89,436	101,670	105,575	111,075
General Supplies	1,548	2,947	17,000	5,000	4,000
Transportation Fleet Supplies	150,897	153,611	320,000	325,000	310,000
Other Objects	-	275	1,000	1,000	500
	4,860,118	5,472,367	6,168,463	6,295,650	6,619,034

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Capital Projects - The district remains committed to advancing its five-year [Long-Range Facility Plan](#), ensuring that our schools and grounds continue to meet the evolving needs of our students, staff, and community. In FY27, we will allocate \$2,350,000 toward critical improvements and upgrades across our district facilities, funded through a capital reserve withdrawal.

This investment will support a range of essential projects in the 400.A Corridor of the high school, including the replacement of unit ventilators to enhance energy efficiency and reliability, the installation of a new finishes, ceilings, lights, windows and furniture to modernize learning spaces and enhance accessibility. We will also install two monument signs at the campus entryway to enhance safety, improve traffic flow, and provide directional guidance for visitors and families.

By prioritizing these facility enhancements, we aim to create a more sustainable, efficient, and conducive environment for teaching and learning while maintaining the long-term integrity of our district's assets.

Curriculum & Instruction - A strong, cohesive focus on high-quality curriculum and effective instruction is at the heart of high-achieving school systems. Student success is directly tied to a well-developed, consistently implemented, and thoughtfully assessed curriculum and programs. To ensure our practices remain effective and responsive, the district prioritizes ongoing vertical and horizontal alignment, professional learning, and the strategic use of instructional resources.

While we continue to expand academic opportunities, recent performance data and our strategic planning process point to a clear need to strengthen student growth and overall achievement. Addressing this need requires a deeper understanding of student performance, identification of program strengths and gaps, the impact of technology on learning, and a continued emphasis on targeted, tiered instruction supported by meaningful data use.

Our work is grounded in four key priorities: maintaining our school system, raising standards, expanding opportunities, building professionalism, and preparing students for their unique paths. These efforts are aligned with the nine New Jersey Student Learning Standards, ensuring a comprehensive and balanced approach to student learning across all content areas. In addition, the district continues to invest in specialized programs that not only expand opportunities for students but also play a critical role in maintaining enrollment, which is directly tied to the district's financial stability.

This section outlines key budget allocations for the middle and high school levels that directly support successful student outcomes. These investments are aligned with the district's strategic plan, [curriculum development cycle](#), and the continued growth of our programs of study. These programmatic offerings further position the district to attract and retain students, reinforcing both educational quality and fiscal sustainability.

The proposed FY27 budget reflects a deliberate and strategic approach to improvement while advancing district priorities. Through targeted investments in curriculum development, professional learning, data-informed instruction, specialized programs, and enrollment-focused opportunities, Kingsway is positioned to strengthen student achievement, close opportunity gaps, and build a sustainable foundation for future success.

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Overview of Instructional Programs:

- **Math (New Jersey Student Learning Standards).** The mathematics program is aligned to the NJSLs and designed to support student-centered learning that meets the diverse needs of all learners. The curriculum emphasizes coherence, rigor, and the development of conceptual understanding alongside procedural fluency. Instruction is supported through ongoing collaboration within professional learning teams, where teachers refine curricular units, implement differentiated strategies, and strengthen interdisciplinary connections and purposeful technology integration.

Student progress is monitored through MAP assessments administered in the fall, winter, and spring. These data points inform instructional decisions and support ongoing evaluation of curriculum and classroom practices. Tier 2 & 3 interventions, including in-class and pullout targeted support to close skill gaps and accelerate learning. The core resource, Savvas Realize, is supplemented by IXL to reinforce skill development and support at-risk learners. Through these efforts, students develop strong mathematical reasoning, problem-solving abilities, and the skills necessary for success in advanced coursework and real-world applications.

- **Science (New Jersey Student Learning Standards).** The science program is aligned to the NJSLs and emphasizes a three-dimensional approach to learning, integrating disciplinary core ideas, science and engineering practices, and crosscutting concepts. Instruction focuses on inquiry-based learning, scientific modeling, and critical thinking, supported by the use of three-dimensional assessments that measure student understanding and application of concepts.

Students engage in hands-on learning experiences through the continued use of Gizmos at the high school level and STEMscopes at the middle school level. These resources are complemented by expanded laboratory experiences supported through the purchase of instructional materials and supplies. Through this approach, students develop scientific reasoning, problem-solving skills, and the ability to apply knowledge in authentic and real-world contexts.

- **English Language Arts (New Jersey Student Learning Standards).** The English Language Arts program is aligned to the 2023 NJSLs and focuses on developing students' literacy, communication, and critical thinking skills. The curriculum is designed to support diverse learners through a balance of reading, writing, speaking, and listening experiences. Instruction is driven by collaboration within professional learning teams, with an emphasis on differentiated strategies, interdisciplinary connections, and purposeful technology integration to enhance student engagement and access.

Student progress is monitored through MAP assessments administered in the fall, winter, and spring, providing data to inform instructional decisions and evaluate curriculum effectiveness. Students engage in a range of writing tasks, peer review opportunities, and critical text analysis to strengthen literacy skills. Tier 2 & 3 interventions provide targeted support for students requiring additional assistance, while IXL supplements the core program to reinforce skill development. Through this comprehensive approach, students build the literacy and communication skills necessary to succeed with complex, grade-level content and in postsecondary environments.

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- **Social Studies (New Jersey Student Learning Standards).** The social studies program is aligned to the 2020 NJSLS and provides a comprehensive framework for students in grades 7–12, including a range of core, elective, and Advanced Placement course offerings. Instruction emphasizes critical thinking, historical analysis, and the integration of literacy skills through primary source evaluation, document-based inquiry, and structured writing tasks. The curriculum is continuously reviewed and refined to ensure relevance, rigor, and alignment with best practices.

The program also incorporates required state mandates, including civics education and the study of diverse historical perspectives, ensuring a comprehensive and inclusive approach to instruction. Through this integrated approach, students develop historical understanding, analytical skills, and the knowledge necessary to become informed and engaged citizens.

- **21st Century Life and Careers (New Jersey Student Learning Standards).** The district is implementing a revised Freshman Seminar, a graduation requirement for all students in non-specialized programs, designed to build a strong foundation in college and career readiness, including emerging competencies such as AI literacy. This course aligns with the 2020 NJSLS for Career Readiness, Life Literacies, and Key Skills. Instruction is supported through ongoing curriculum development within professional learning teams, with a focus on real-world application and alignment to nationally recognized career clusters. These structures enable students to connect coursework to future career pathways and make informed academic decisions.

The Six Programs of Study further support this work by helping students align course selection with career interests while developing skills necessary for employment, continued education, and training. In addition, the school counseling curriculum reinforces these efforts through student-centered lessons focused on postsecondary planning. Through this comprehensive approach, students are better prepared to navigate college, careers, and an evolving workforce.

- **World Language (New Jersey Student Learning Standards).** World language curricula for grades 7–12, aligned to the NJSLS, will be implemented following revisions completed during the 2025–2026 school year to ensure alignment with current best practices. Instruction emphasizes authentic language use through engaging, relevant learning experiences that incorporate differentiated instruction, interdisciplinary connections, and purposeful technology integration.

Students are provided multiple pathways to demonstrate proficiency and advance their learning. High school students may earn the New Jersey State Seal of Biliteracy through the STAMP assessment, while middle school students are introduced to multiple languages to support informed course selection. Heritage speakers may access advanced coursework through P.L.A.C.E. testing, and structured pathways support multilingual learners in meeting graduation requirements. This program fosters language proficiency, cultural awareness, and global competencies essential for success in a diverse and interconnected world.

- **Visual and Performing Arts (New Jersey Student Learning Standards).** The visual and performing arts program, aligned to the NJSLS, provides students in grades 7–12 with a comprehensive range of elective opportunities across multiple levels, including inclusive offerings such as Unified Chorus. Instruction focuses on creative expression, performance, and production,

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allowing students to explore new artistic disciplines while developing their talents through structured and progressive coursework.

Students are able to engage in courses that support both introductory exploration and advanced skill development, ensuring access and growth for learners at all levels. Through participation in the arts, students develop creativity, collaboration, and self-expression, contributing to a well-rounded educational experience.

- **Comprehensive Health & Physical Education (New Jersey Student Learning Standards).** The district will undertake a comprehensive revision of the Health and Physical Education curriculum during the summer of 2026 to ensure alignment with current standards and instructional best practices. The updated curriculum will be implemented for all students in grades 7–12. Instruction addresses key areas including personal growth and development; emotional, social, and sexual health; community health resources; physical fitness and lifelong wellness; nutrition; personal safety; substance use and prevention; and health conditions and treatments, in accordance with NJSL requirements and legislative mandates.

Student wellness is further supported through the administration of the BASC-3 BESS as a universal screener twice annually, enabling early identification of behavioral and emotional needs. This comprehensive approach supports students in developing the knowledge and skills necessary to lead healthy, active, and informed lives.

- **Computer Science & Design Thinking (New Jersey Student Learning Standards).** Computer science and design thinking are integrated across grades 7–12, with expanded course offerings providing opportunities for in-depth study of programming and computational thinking. Instruction emphasizes problem-solving, innovation, and the application of technology skills, supported by a focus on digital citizenship, media literacy, and responsible technology use.

Students engage in learning experiences that require them to manage, evaluate, and synthesize information, preparing them to navigate complex digital environments. Through this work, students develop the technical and critical thinking skills necessary for success in academic, professional, and real-world contexts.

Priority Instructional Items for FY27. As the district enters year four of its strategic plan, the continued focus remains on improving student achievement and accelerating learning for underperforming students. The following priorities outline key investments that support the 2026–2027 curriculum and instruction budget. While not exhaustive, these areas highlight major initiatives and resources that directly impact teaching and learning.

- I. **Data, Assessment, and Instructional Technology.** The district will continue to implement a comprehensive, data-informed approach to instruction, ensuring that educators have timely access to meaningful data to guide decision-making at the classroom, school, and district levels.
 - a. **MAP Assessments (Grades 7–10).** MAP assessments in reading and mathematics will continue to serve as universal screeners and benchmark measures of student readiness and growth. Administered in the fall, winter, and spring, these adaptive assessments provide timely data to inform instruction, monitor progress, and evaluate program effectiveness.

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- b. **LinkIt! Data Warehouse.** The district will continue to utilize LinkIt! as a centralized data warehouse, integrating multiple data sources, including MAP, course assessments, grades, and college readiness indicators (SAT/PSAT/AP). This platform provides educators, support staff, and administrators with accessible, actionable data to better understand student needs, guide instructional planning, support placement decisions, and evaluate curricular and program effectiveness. A continued priority is expanding the use of LinkIt! at the classroom level to support progress monitoring and real-time instructional adjustments. The use of LinkIt! also strengthens the district’s implementation of the New Jersey Tiered System of Supports (NJTSS) by enabling more effective identification of student needs, monitoring of interventions, and alignment of supports across academic and behavioral domains.
 - c. **Instructional Technology.** The district will maintain its investment in instructional technology to support teaching and learning. Schoology will continue to serve as the learning management system (LMS), providing a consistent platform for course organization, communication, and assessment. In conjunction with Schoology, supplemental tools such as Read&Write, Turnitin, Wayground, and IXL support accessibility, provide timely feedback, and enhance differentiated instruction. Beginning in the 2026–2027 school year, the district will assess the impact of these tools on student learning and instructional practices, with an initial focus at the middle school level to inform future implementation.
 - d. **Professional Development: Strategic Alignment and NJTSS Implementation.** Professional development initiatives will directly support the district’s strategic plan through the continued implementation of the New Jersey Tiered System of Supports (NJTSS). This framework reinforces the district’s commitment to academic, social, emotional, and behavioral growth through the use of data and evidence-based instructional practices.
 - e. **Social, Emotional, and Behavioral Supports.** The district will continue to strengthen a comprehensive system of social, emotional, and behavioral supports aligned with NJTSS across Tiers 1, 2, and 3. This tiered approach emphasizes proactive, schoolwide supports; early identification of student needs; and consistent monitoring to ensure a positive and supportive learning environment
 - f. **Specially Designed Instruction.** The district will continue to strengthen the implementation of specially designed instruction to ensure that students with disabilities have equitable access to the general education curriculum. Instruction will be guided by IEP goals, ongoing progress monitoring, and evidence-based practices, with an emphasis on differentiation, co-teaching, and targeted interventions. This approach supports alignment with NJTSS and promotes academic growth and independence.
- II. **Data-Driven Tier 1 Instruction.** The district will continue to strengthen Tier 1 instruction through regular data review cycles led by department supervisors and faculty. These reviews inform instructional practices, support alignment across classrooms, and ensure that core instruction effectively meets the needs of all learner.
- a. **Integrated System of Supports.** Professional development will reinforce a cohesive system of supports across all tiers. Strong Tier 1 instruction provides the foundation for effective Tier 2 interventions, while Tier 3 supports ensure that students requiring more

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intensive assistance receive targeted, evidence-based interventions. This integrated approach ensures equitable access to support and promotes success for all students.

- III. **Curriculum Writing.** The district will continue to implement its curriculum writing and textbook adoption cycle to ensure a balanced and comprehensive program across both core and non-core content areas. During summer 2026, Health & Physical Education and business courses will be revised under the guidance of department supervisors and prepared for program evaluation in the 2026–2027 school year. Updated curricula will include clearly defined essential questions, enduring understandings, and common assessments. In addition, interdisciplinary connections, technology standards, and Career Readiness, Life Literacies, and Key Skills (21st Century Themes and Skills) will be embedded throughout. New course offerings will be developed to expand opportunities aligned with student interests, career exploration, and expanded specialized programs.
- IV. **Specialized Programs.** The district will continue to invest in specialized programs that expand student opportunities, support career exploration, and contribute to maintaining enrollment. These programs provide structured pathways aligned with student interests while reinforcing the district’s commitment to academic excellence and postsecondary readiness. They also serve as a means to retain students, increasing enrollment and related funding for the system.
- a. **School of Education (*New in FY27*).** Kingsway Regional High School’s School of Education benefits students, the profession, and the district by creating a clear pathway into the educational field. Students gain hands-on experience and a deeper understanding of learning, while the program helps develop motivated, well-prepared future educators. As a pipeline, it allows the district to cultivate and retain talent from within its own community.
 - b. **Business Leadership Academy (185 students).** Continued enrollment growth requires budgeting to support approximately 50 students per grade level, ensuring equitable access to program opportunities and DECA participation. Funds support program materials, including apparel, field trips, and DECA-related expenses such as dues, competition registration, conference fees, and travel.
 - c. **STEM Academy (192 students).** Sustained student interest requires dedicated resources to support comprehensive STEM programming. Budget allocations include materials for project-based learning experiences such as the freshman STEAM Night service-learning project, as well as program apparel, field experiences, and competition-related costs including registration, materials, and travel.
 - d. **School of Health Professions (197 students).** The School of Health Professions will continue to integrate programs such as Squads Abroad and SIMTICS to provide immersive, real-world healthcare experiences. Students also participate in HOSA (Future Health Professionals), supporting leadership development within the health sciences. Budgeted funds support co-curricular experiences that extend and enhance classroom instruction.
 - e. **Team Scholastics (122 students).** Professional development in 2026–2027 will prioritize implementation of the AVID framework, which serves as the foundation of Team Scholastics and Success 101. Budgeted resources support teacher training, college and

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university visits, family engagement initiatives, volunteerism, and community-building experiences that promote college and career readiness.

- f. **Navy JROTC (50 students).** Entering its fourth year, continued funding supports uniforms, required equipment, and program operations. Co-curricular opportunities, including drill teams, orienteering, field trips, and summer orientation, reinforce leadership, teamwork, and civic responsibility.

Informational Overview

Enrollment - Middle school enrollment is projected to increase to 912 students for the 2026-2027 school year, an increase of 1 student from the current year. Conversely, the High school anticipates a reduction of 39 students, bringing its 9th-12th grade population to 1,931. Overall, the district enrollment is expected to decrease by 38 students, bringing the combined total enrollment to 2,843 students.

	Current SY '26	Projected SY '27	Inc./Dec From SY26
7 th	453	459	+6
8 th	458	453	-5
Sub Total (MS)	911	912	+1
9 th	516	482	-34
10 th	485	516	+31
11 th	448	485	+37
12 th	521	448	-73
Sub Total (HS)	1970	1931	-39
District Total	2881	2843	-38

Staffing Levels - In public education, employee compensation and benefits represent a significant portion of the operation budget, accounting for 65% of total expenditures. For FY27, total employee compensation is projected at \$29,631,721, while employee benefits are expected to total \$11,551,366. Specifically, compensation makes up 48.2% of the overall operating budget, and employee benefits contribute 18.8%. The FY27 tentative budget also reflects a net decrease of 9.0 full-time equivalent positions as compared to FY26. This reduction in positions is part of ongoing efforts to manage budget constraints and declining enrollments while ensuring the district continues to provide an excellent education for our student population.

Full Time Equivalent Positions	Actual			Current	Proposed
	FY23	FY24	FY25	FY26	FY27
Instruction	240.00	248.00	252.00	248.00	245.00
Support Services	143.68	142.68	145.68	148.68	146.68
Administration	33.00	29.00	29.84	29.84	25.00
	416.68	419.68	427.52	426.52	416.68

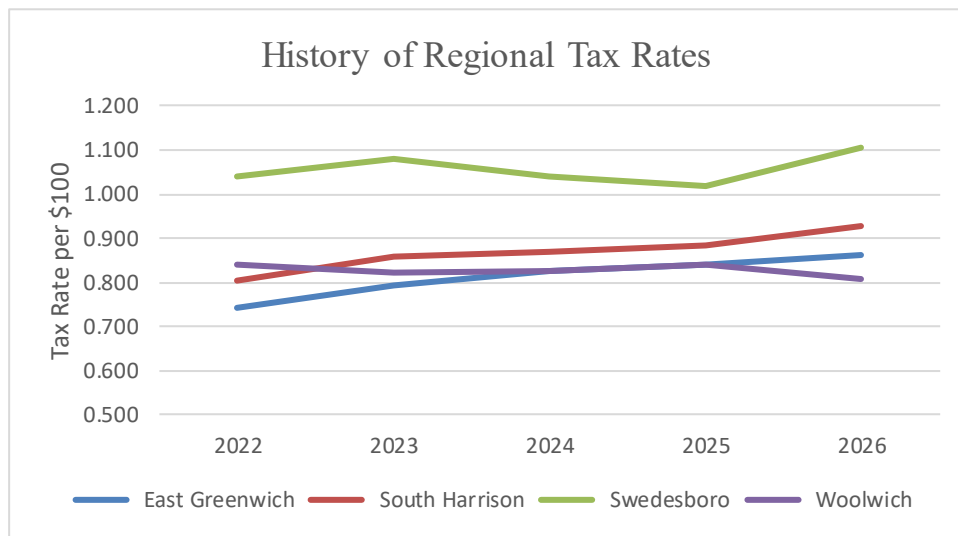
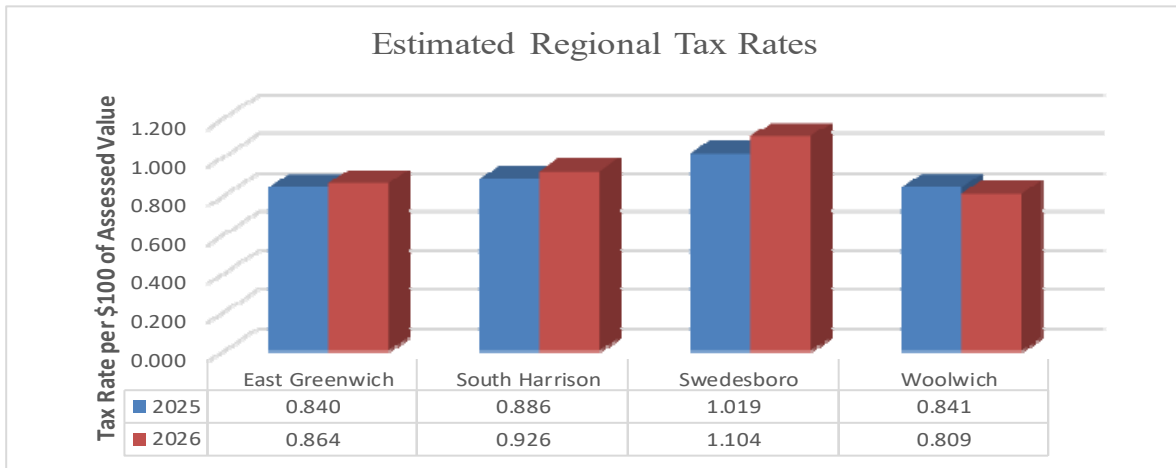
Tax Levy Analysis - The FY27 tentative budget is supported by \$32,086,987 in local property taxes, reflecting an increase of \$1,818,276, or 6.01%. The proposed tax levy includes an increase beyond the 2% cap due to the district qualifying for waiver of \$1,301,423 based on rising employee health benefit costs.

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As a result, the proposed tentative tax levy would lead to an increase in the tax rate for three out of the district’s four regional communities. The following charts illustrate the impact of the proposed tax levy on the tax rates for each municipality within the region, calculated on a calendar year basis:

Impact on Tax Rate:

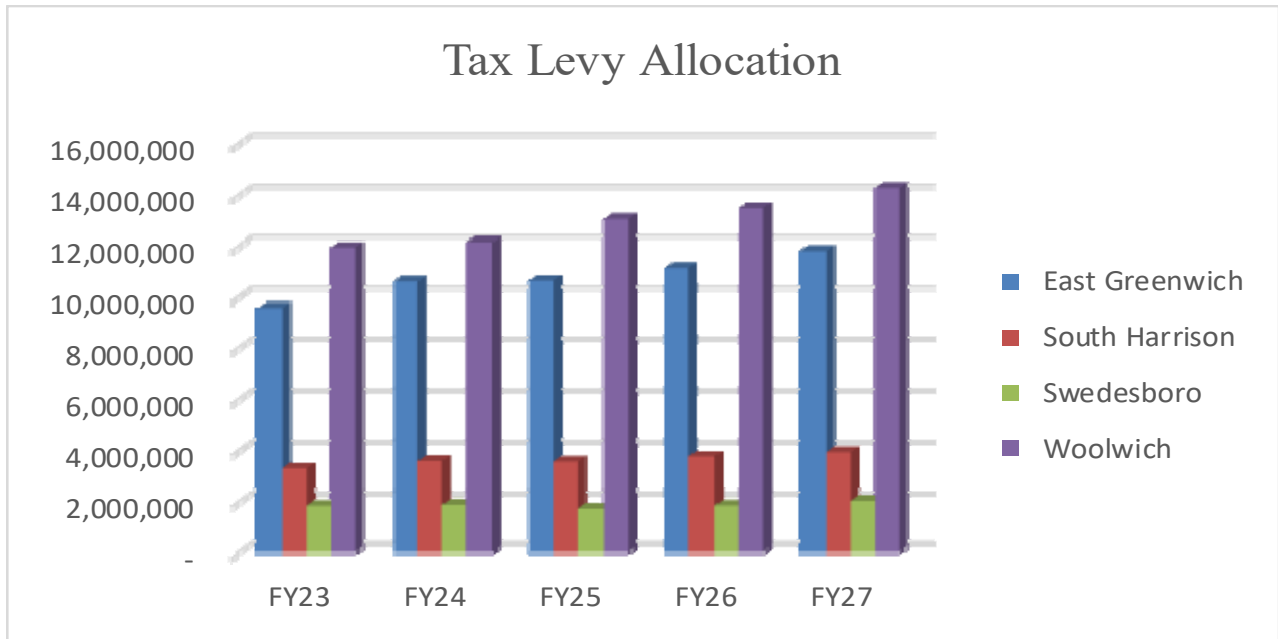
	2022	2023	2024	2025	2026
East Greenwich	0.742	0.792	0.826	0.840	0.864
South Harrison	0.806	0.858	0.870	0.886	0.926
Swedesboro	1.040	1.080	1.040	1.019	1.104
Woolwich	0.841	0.824	0.828	0.841	0.809



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Regional Tax Levy Allocation - As a regional school district, tax rates vary on a municipality-by-municipality basis. Several factors are considered by the State when determining how to allocate the tax burden across each municipality. These factors include:

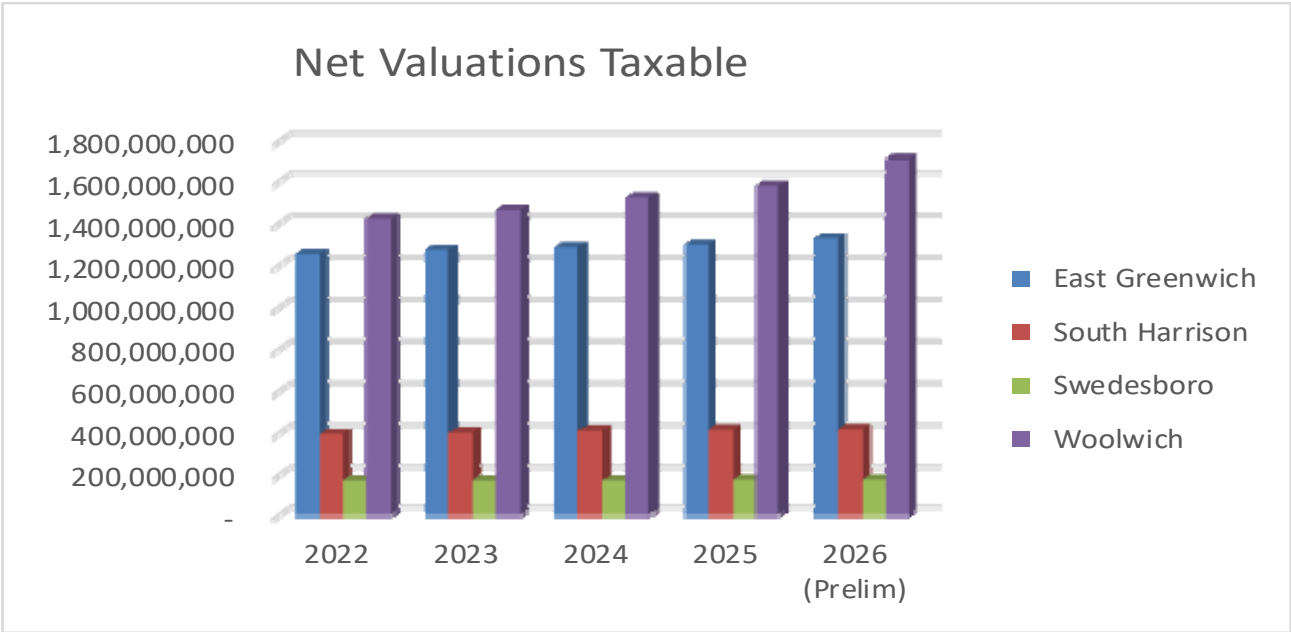
- **Equalized Value (EV)** – A standardized measure of property valuation used for comparative purposes.
- **Total Enrollment** – Enrollment figures for the elementary and regional school district, broken down by municipality.
- **Distribution of EV** – The allocation of equalized value is based on the distribution of elementary and regional school district enrollment.



Net Valuation Taxable by Town - In addition to the municipal percentage shares, the Net Valuation Taxable (NVT) of each municipality also plays a crucial role in determining individual tax rates. The following charts illustrate the changes in NVT over a five-year period, highlighting the variances and their impact on each town’s tax burden.

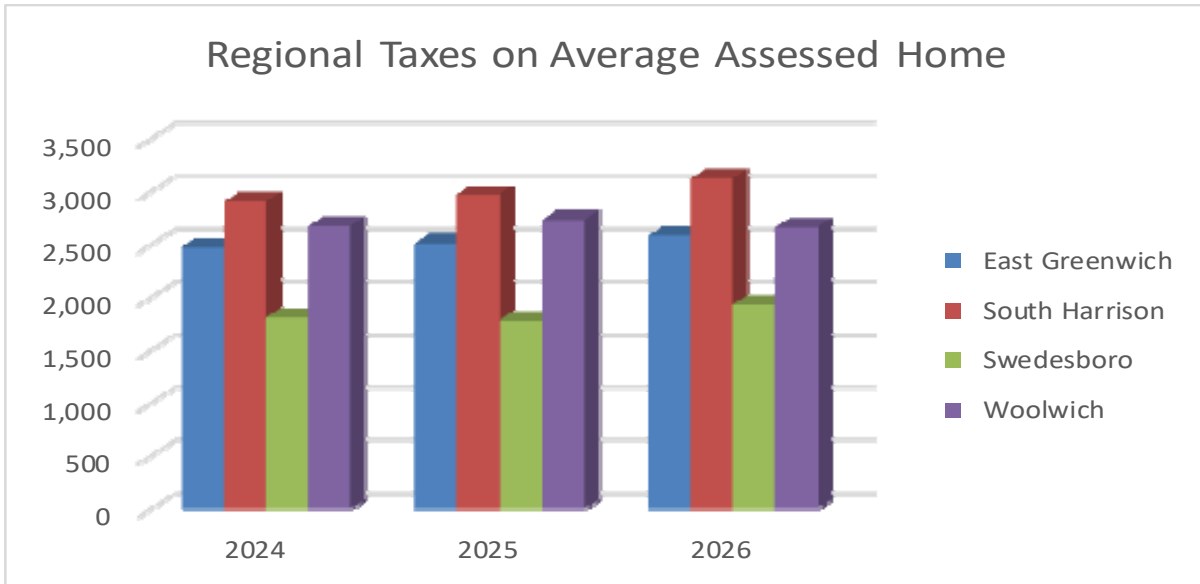
	2022	2023	2024	2025	2026 (Prelim)
East Greenwich	1,251,892,500	1,273,439,300	1,285,077,525	1,296,506,700	1,328,562,700
South Harrison	395,866,900	401,526,500	411,191,900	414,412,800	416,546,700
Swedesboro	172,831,100	173,175,400	174,308,500	177,339,200	177,290,700
Woolwich	1,420,257,010	1,462,961,510	1,521,692,810	1,576,497,010	1,716,718,010

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Annual Regional School Taxes on Average Assessed Home Values - The annual regional school taxes are calculated by multiplying the assessed value of a property by the corresponding tax rate and dividing by 100.

	2022	2023	2024	2025	2026	Inc/(Dec)
East Greenwich	2,218	2,371	2,474	2,517	2,589	72
South Harrison	2,654	2,848	2,911	2,976	3,129	153
Swedesboro	1,797	1,870	1,816	1,785	1,934	149
Woolwich	2,698	2,657	2,678	2,738	2,667	-71



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Average Home Assessments

	2024	2025	2026
East Greenwich	299,559	299,631	299,699
South Harrison	334,545	335,876	337,720
Swedesboro	174,581	175,203	175,120
Woolwich	323,481	325,554	329,732

Long-Term Debt - The district currently has two (2) outstanding bond issues. The majority of the remaining balance stems from bonds issued in 2012 following the 2011 voter-approved referendum for additions and renovations to the middle and high schools. The 2016 refunding bonds are set to mature in 2031, while the 2020 refunding bonds will remain active until 2037.

As of June 30,	Actual			Revised	Projected
	2023	2024	2025	2026	2027
2012 Refunding Bonds	590,000	-	-	-	-
2014 Refunding Bonds	1,070,000	-	-	-	-
2016 Refunding Bonds	8,170,000	8,170,000	6,965,000	5,770,000	4,585,000
2020 Refunding Bonds	15,385,000	14,410,000	13,430,000	12,440,000	11,415,000
	25,215,000	22,580,000	20,395,000	18,210,000	16,000,000

