

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT

Woolwich Township, New Jersey
County of Gloucester

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

ANNUAL COMPREHENSIVE FINANCIAL REPORT

OF THE

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT

WOOLWICH TOWNSHIP, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Prepared by

**Swedesboro-Woolwich Consolidated School District
Finance Department**

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INTRODUCTORY SECTION

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SWEDESBORO-WOOLWICH SCHOOL DISTRICT
ADMINISTRATIVE OFFICES
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WOOLWICH TOWNSHIP, NJ 08085

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Dr. Walter Kappeler
Superintendent of Schools

Steven Jakubowski, Jr.
School Business Administrator

February 8, 2023

Honorable President and
Members of the Board of Education
Swedesboro-Woolwich Consolidated School District
15 Frederick Boulevard
Woolwich Township, New Jersey 08085

Dear Board Members:

The annual comprehensive financial report of the Swedesboro-Woolwich Consolidated School District (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 School District. All disclosures necessary to enable the reader to gain an understanding of the School 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 School District's organizational chart, and a list of principal officials. The financial section includes the independent auditor's report, MD&A, and the basic financial statements including the School District-wide statements, fund statements, notes to the financial statements, required supplementary information, other than MD&A, including budgetary comparison schedules, and other supplementary information. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The Swedesboro-Woolwich Consolidated School District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, "Audits of State and Local Governments," and the New Jersey OMB's Circular Letter 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid Payments." Information related to this single audit, including the auditor's reports on the internal control and compliance with applicable laws and regulations and findings and recommendations, if any, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES: The Swedesboro-Woolwich Consolidated School District is an independent reporting entity within the criteria set forth in Section 2100 of the *GASB Codification of Governmental Accounting and Financial Reporting Standards*. All funds and account groups of the School District are included in this report. The Swedesboro-Woolwich Board of Education and all its schools constitute the School District's reporting entity.

The School District provides a full range of educational services appropriate to grade levels Prekindergarten through Grade 6. These include regular, as well as special education for at-risk, gifted, and handicapped students. The School District completed the 2021-2022 fiscal year with an enrollment of 1,574 students.

2. ECONOMIC CONDITION AND OUTLOOK: The District serves both Swedesboro Borough and Woolwich Township. The Borough of Swedesboro is .73 square miles or 499 acres. Woolwich Township covers 21 square miles.

For the 2021-2022 school year, the School District's four elementary schools were organized as follows:

Margaret C. Clifford Serves the preschool and kindergarten students.

Charles C. Stratton Serves students in grades 1 and 2.

Charles Harker Serves students in grades 3 to 5.

Walter H. Hill Serves all grade 6.

The Board of Education opened its new \$3,250,000 Margaret C. Clifford School in January 1997. In March of 2000, voters approved a \$2,758,000 bond referendum to expand this facility to accommodate an increase in the student enrollment. The Margaret C. Clifford School addition opened in September of 2001.

In March 2002, a bond referendum was held regarding the construction of a new elementary school (Charles C. Stratton), as well as an addition and renovations to the Walter H. Hill School. The referendum was successful by a 2 to 1 margin. The total cost of the projects were \$23,137,843, which \$15,733,733 was allocated to the new school and \$7,404,110 was the addition and renovations to the Walter H. Hill School. The Board received as part of efforts by the Woolwich Township Planning Board and developers donated land designated for educational purposes. As a result of this conscientious effort the Board received 15 acres of land, which is the site of the Charles C. Stratton School. The construction was completed in March 2004.

In December 2005, a bond referendum was held regarding the construction of a new elementary school (Charles Harker) and the purchase of a 40-acre parcel property. The referendum was successful. The Board received as part of efforts by the Woolwich Township Planning Board and developers donated land designated for educational purposes. As a result of this conscientious effort the Board received 68.43 acres of land donated with a final deed conveyance filed in December 2005, which is the site of the Charles G. Harker School which the Charles Harker School opened in September 2008.

3. MAJOR INITIATIVES: In addition to the School District's core curricular offerings, the District is proud of the following programs that are available to its students. Examples of these programs that structure for the success of students include:

- o The District introduced a 1:1 Chromebook initiative at the 1st grade level. The School District is now 1:1 in grades 1 - 6.
- o Expanded enrichment opportunities for students through:
 - o Comet Cohort/Comet Cycle program for all students
 - o Accelerated Math in grades 5 - 6
 - o Pre-Algebra for grade 6
 - o Enrichment: Music (gr. 1 - 6), Library Enrichment (gr. K - 2), Art Enrichment (gr. 3 - 6), Technology (gr. 3 - 6)
 - o Character Education Program based on Stephen Covey's 7 habits for Happy Kids (from the book Leader in Me) in grades K - 6. Additional items from the 11 Principles for Schools of Character grades 3-5.
- o Expansion of visual performing arts:
 - o After-school guitar lessons
 - o Introduction of choir in grades 3 & 4 (continuation of choir grades 5 & 6)
 - o Band grades 5 & 6
- o After school club opportunities
- o Summer STEAM enrichment programming: Camp IDEA, Invention Convention
- o Curricular Based Family Nights
- o Project based learning opportunities
- o Continued integration of World Cultures course in grades 3 - 6.
- o Introduction of new program Ready Math in grades K-2.
- o Expansion of BIG IDEAS Math program in grades 3 – 6.
- o Expansion of TCI Science program in grades K – 2.
- o Expansion of TCI Social Studies program in grades 3 – 6.
- o Introduction of ReadyGen ELA program in grades 3-5.
- o Expansion of American Reading Company in grades K-2 with Word Study components.
- o Cultivating a consistent, data driven RTI process across the district with iReady Diagnostic Assessments and My Learning Path resources as main component.
- o Aligned curriculum to the New Jersey Student Learning Standards
- o Standards based grading practices K - 6
- o Internet access is provided to all students and a google platform is available for all classes
- o Municipal alliance grant to provide for anti-drug student programming
- o L-E-A-D (Law Enforcement Against Drug) program is provided to students
- o Instrumental programs, choir, and drama club opportunities are offered K-6
- o Guidance, speech, O.T., and P.T. services are provided: Guidance counselors are all full-time staff with additional position in 2022-2023
- o Intramural sports program in grade 5 & 6

District objectives for 2022-2023 include:

By June 30, 2023, the district will examine school safety plans and procedures with local and county law enforcement to ensure emergency preparedness.

By June 30, 2023, the district will provide training to staff on a Trauma Informed Model of Instruction through Collaborative Proactive Solutions Program.

By June 30, 2023, the number of students performing at the “Met or Exceeded Expectations” criteria will increase from 57.4% to at least 60%.

By January 15, 2023, a district-wide committee will be established to review each schools’ positive behavior programs with the intent to evaluate strengths, weaknesses, and cohesiveness.

By June 30, 2023, the SWSD will provide a cumulative 6 hours of mandatory professional development in the area of Diversity, Equity, and Inclusion for staff.

By June 30, 2023, the Swedesboro Woolwich School District will develop and approve a plan to move forward with solar panels for the district.

By June 30, 2023, the district will enact a plan to replace/upgrade the gym floors at the Stratton School and Hill School.

By June 30, 2023, the district will assess the demographic study to examine long range facility planning.

By June 30, 2023, the district website will be revised after conducting a community/staff/family focus group.

Walter H. Hill School

1. By June of 2023, students in grade 6 will continue to increase state proficiency levels in mathematics and language arts on the NJSLA as a whole group and for all qualified sub-groups.
2. By June 2023, the students in grade 6 will increase the number of students exceeding expectations in both math and language arts.

Governor Charles C. Stratton School

1. By June of 2023, students in grade 1 will achieve the district identified growth targets (SGP) in reading based on i-Ready Benchmark.
2. By June of 2023, students in grade 2 will achieve the district identified growth targets (SGP) in reading and math on i-Ready Benchmark.

Margaret C. Clifford School

1. By June of 2023, students in kindergarten will achieve the district identified growth targets (SGP) in reading based on i-Ready Early Literacy Benchmark.

General Charles Harker School

1. By June of 2023, students in grades 3, 4, and 5 will continue to increase state proficiency levels in mathematics and language arts on the NJSLA as a whole group and for all qualified sub-groups.

2. By June 2023, the students in grades 3, 4, and 5 will increase exceeding expectations in both math and language arts.

4. INTERNAL ACCOUNTING CONTROLS: The Business Administrator is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the School District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but no absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by the District Management.

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

5. BUDGETARY CONTROLS: In addition to internal accounting controls, the School District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the General Fund, the Special Revenue Fund, and the Debt Service Fund. Project-length budgets are approved for the capital improvements accounted for in the Capital Projects Fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line-item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as committed to fund balance as of June 30, 2022.

6. ACCOUNTING SYSTEM AND REPORTS: The School District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the School District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements," Note 1.

7. DEBT ADMINISTRATION: As of June 30, 2022, the School District's outstanding debt issues include \$23,650,000 of General Obligation Bonds. The proceeds of these bond issues were placed in the School District's Capital Projects Fund for use to provide funds for capital improvements to the School District's buildings and grounds. These improvements include renovations and additions to the various schools, and the purchase of furniture, fixtures, and equipment for the additions.

8. CASH MANAGEMENT: The investment policy of the School District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 3. The School 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. New Jersey Statutes

require governmental units to deposit public funds in institutions as described in Note 2, "Notes to the Financial Statements."

9. 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.

10. OTHER INFORMATION:

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board selected the accounting firm of Holt McNally & Associates, Inc. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996, and the revised *Uniform Administrative Requirements, Costs Principles, Audit Requirements for Federal Awards (Uniform Guidance)*, and New Jersey OMB's Circular 15-08. The auditor's report on the basic financial statements 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.

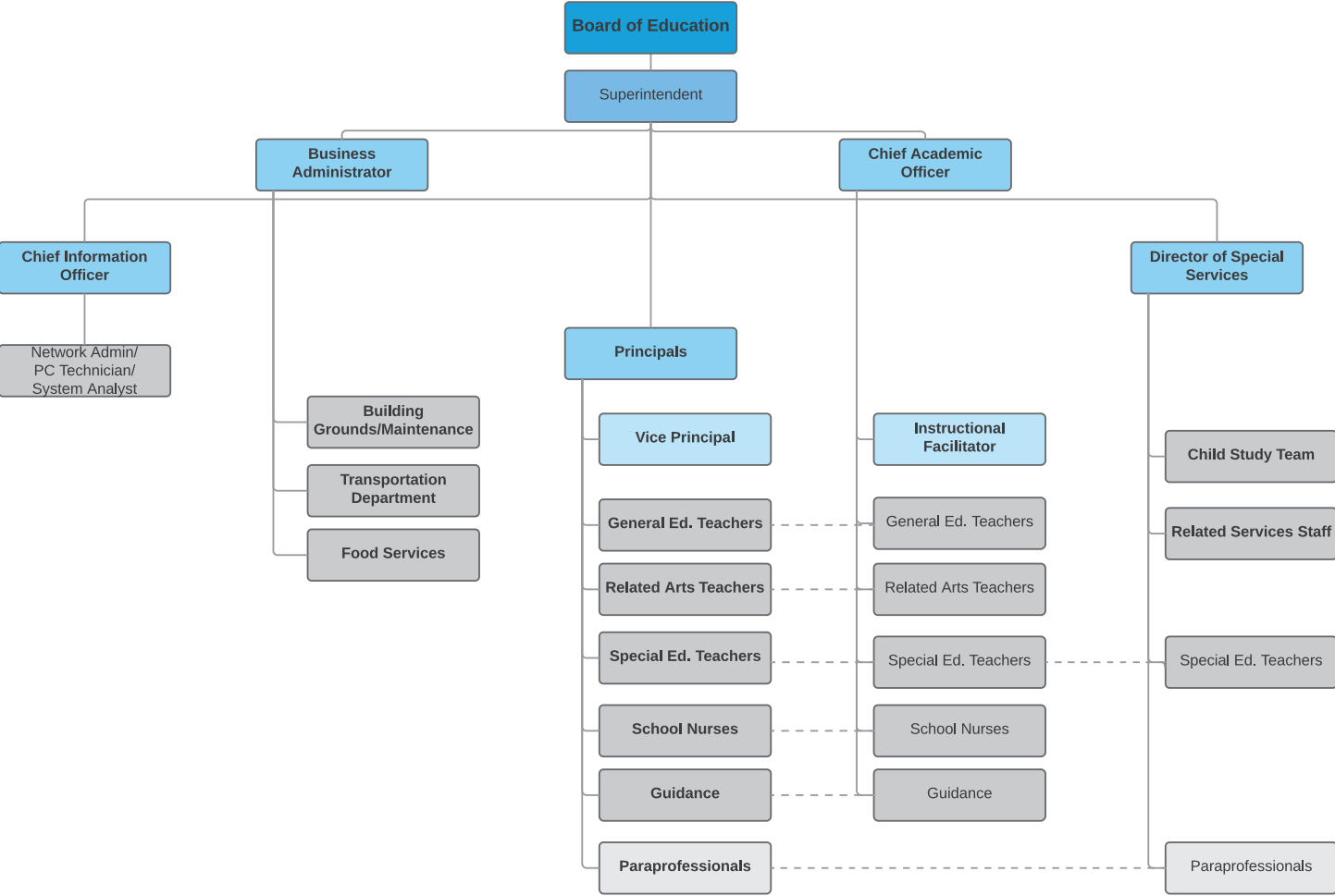
11. ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Swedesboro-Woolwich Consolidated School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the School District and thereby contributing their full support to the development and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

Respectfully submitted,

Dr. Walter Kappeler
Dr. Walter Kappeler
Superintendent

Steven Jakubowski
Steven Jakubowski
Business Administrator/Board Secretary

**Swedesboro-Woolwich School District
Organizational Flow Chart**



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SWEDESBORO-WOOLWICH CONSOLIDATED BOARD OF EDUCATION
Woolwich Township, New Jersey

ROSTER OF OFFICIALS

JUNE 30, 2022

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Gina Azzari, President	2024
Natalie Baker, Vice President	2022
Laurie Cecala-Read	2024
Julie Dickson	2022
Rosella Musumeci	2022
Vivian Lane	2023
Tamara McGovern	2023
Kathryn Beaver	2023
Erin Carroll	2024

OTHER OFFICIALS

Dr. Walter Kappeler, Superintendent of Schools

Steven Jakubowski, Business Administrator/Board Secretary

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SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Woolwich Township, New Jersey

CONSULTANTS AND ADVISORS

AUDIT FIRM

David T. McNally
Holt McNally & Associates, Inc.
618 Stokes Road
Medford, New Jersey 08055

ATTORNEY

Comegno Law Group, PC
521 Pleasant Valley Avenue
Moorestown, NJ 08057

Contact: R. Taylor Ruilova, Esquire

OFFICIAL DEPOSITORY

Fulton Bank
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Woolwich Township, New Jersey

BOND COUNSEL

McManimon, Scotland & Baumann , LLC
1037 Raymond Avenue
Newark, NJ 07102

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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
Swedesboro-Woolwich Consolidated School District
County of Gloucester
Woolwich Township, 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 Swedesboro-Woolwich Consolidated 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 Swedesboro-Woolwich Consolidated 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 Office of School 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 February 8, 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

A handwritten signature in black ink that reads "David T. McNally". The signature is written in a cursive style with a large, looping flourish at the end of the name.

David T. McNally
Certified Public Accountant
Public School Accountant, No. 2616

Medford, New Jersey
February 8, 2023

REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

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SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited)

As management of the Swedesboro-Woolwich Consolidated 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 annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements and required supplementary information. The basic financial statements include two kinds of statements that present different views of the School District:

- The first two statements are *District-wide financial statements* that provide both *short-term and long-term* information about the School District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the School District, reporting the School District's operations in *more detail* than the School District-wide statements.
- *Governmental funds statements* tell how *basic* services such as regular and special education was financed in the *short term* as well as what remains for future spending.
- *Proprietary funds statements* offer *short-term and long-term* financial information about activities the School District operates *like business*.

Financial Highlights

Key financial highlights for 2022 are as follows:

- * General revenues from governmental activities accounted for \$29,570,987 in revenue or 79 percent of all governmental revenues (See Exhibit A-2).
- * Program specific revenues, in the form of charges for services, operating grants and contributions accounted for \$9,145,998 or 21 percent of total revenues of \$43,942,339 (See Exhibit A-2).
- * The School District had \$40,746,960 in expenses; only \$9,145,998 of these expenses offset by program specific charges for services, grants, or contributions (See Exhibit A-2).
- * Among Governmental Funds, the General Fund had \$32,363,721 in revenues and the General Fund's fund balance increased \$186,652 (See Exhibit B-2).

Using this Annual Comprehensive Financial Report (ACFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Swedesboro-Woolwich Consolidated School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental Funds, these statements tell how services were financed in the short-term as well as what remains for future spending.

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited) (Continued)

Using this Annual Comprehensive Financial Report (ACFR) (Continued)

The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. In the case of Swedesboro-Woolwich Consolidated School District, the General Fund is by far the most significant fund.

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and ask the question, "How did we do financially during 2022?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and changes in those positions. This change in net position is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial and some not. Non-financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs, and other factors.

In the Statement of Net Position and the Statement of Activities, the School District is divided into two distinct kinds of activities:

* Governmental Activities - The School District's programs and services are reported here including instruction, support services, operation, and maintenance of plant facilities, pupil transportation, and extracurricular activities.

*Business-Type Activity - This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service, Drama Club, Pay-to-Play, and Summer Camp, Enterprise Funds are reported as business activities.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District's funds. The School District uses many funds to account for a multitude of financial transactions. The School District's Governmental Funds are the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund.

Governmental Funds

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

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited) (Continued)

Governmental Funds (Continued)

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

Enterprise Fund

The Enterprise Fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

Notes to the Financial Statements

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

The School District as a Whole

The Statement of Net Position provides the perspective of the School District as a whole. Net positions may serve over time as a useful indicator of a government's financial position.

The School District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

Table 1 provides a summary of the School District's net position for 2022, with comparative data from 2021.

Table 1
Summary of Net Position

	June 30, <u>2022</u>	June 30, <u>2021</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Current & Other Assets	\$ 6,238,505	\$ 5,514,705	\$ 723,800	13.1%
Capital Assets, Net	<u>36,473,223</u>	<u>37,134,203</u>	<u>(660,980)</u>	-1.8%
Total Assets	<u>42,711,728</u>	<u>42,648,908</u>	<u>62,820</u>	0.1%
Deferred Outflow of Resources	<u>1,369,912</u>	<u>1,783,318</u>	<u>(413,406)</u>	-23.2%
Current and other Liabilities	1,099,266	992,638	106,628	10.7%
Noncurrent Liabilities	<u>27,811,144</u>	<u>31,576,364</u>	<u>(3,765,220)</u>	-11.9%
Total Liabilities	<u>28,910,410</u>	<u>32,569,002</u>	<u>(3,658,592)</u>	-11.2%
Deferred Inflow of Resources	<u>1,929,273</u>	<u>1,812,951</u>	<u>116,322</u>	6.4%
Net Position:				
Net Investment in Capital Assets	12,614,968	10,696,979	1,917,989	17.9%
Restricted	4,882,623	4,574,805	307,818	6.7%
Unrestricted (Deficit)	<u>(4,255,634)</u>	<u>(5,221,511)</u>	<u>965,877</u>	-18.5%
Total Net Position	<u>\$ 13,241,957</u>	<u>\$ 10,050,273</u>	<u>\$ 3,191,684</u>	31.8%

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited) (Continued)

Table 2 shows changes in net position for fiscal year 2022 with comparative data from 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	\$ 158,660	\$ 38,302	\$ 120,358	314.2%
Operating Grants & Contributions	8,987,338	9,829,660	(842,322)	-8.6%
General Revenues:				
Property Taxes	19,304,052	19,304,052	-	0.0%
Federal & State Aid Grants	9,860,816	12,915,918	(3,055,102)	-23.7%
Other General Revenues	430,430	413,365	17,065	4.1%
Total Revenues	<u>38,741,296</u>	<u>42,501,297</u>	<u>(3,760,001)</u>	<u>-8.8%</u>
Function/Program Expenditures:				
Instruction	11,922,884	11,251,539	671,345	6.0%
Support Services	20,993,265	26,221,093	(5,227,828)	-19.9%
Unallocated Depreciation	881,437	839,491	41,946	5.0%
Interest & Other Charges	797,124	1,142,879	(345,755)	-30.3%
Transfer to Charter School	-	10,621	(10,621)	-100.0%
Food Service	929,505	306,323	623,182	203.4%
Other Enterprise Funds	25,397	135	25,262	18712.6%
Total Expenditures	<u>35,549,612</u>	<u>39,772,081</u>	<u>(4,222,469)</u>	<u>-10.6%</u>
Change In Net Position	3,191,684	2,729,216	462,468	16.9%
Net Position - July 1	10,050,273	7,321,057	2,729,216	37.3%
Net Position - Ending	<u>\$ 13,241,957</u>	<u>\$ 10,050,273</u>	<u>\$ 462,468</u>	<u>4.6%</u>

Governmental Activities

The unique nature of property taxes in New Jersey creates the legal requirements to annually seek voter approval for the School District operations. Property taxes made up 52% of revenues for governmental activities for the Swedesboro-Woolwich Consolidated School District for fiscal year 2022. The School District's total governmental activities revenues were \$37,430,048 for the year ended June 30, 2022. Federal, state, and local grants accounted for another 26% of the governmental activities revenues.

The total cost of all programs and services was \$34,594,710. Instruction comprises 34% of the School District expenses.

Business-type Activities

Revenues for the District's Business-type Activity (Food Service, Drama Club, Pay-to-Play, and Summer Camp) were comprised of charges for services and federal and state reimbursements.

- * Income exceeded expenditures by \$356,346.
- * Charges for services represent \$32,544 of revenue.
- * Federal and state reimbursement for meals, including payments for free and reduced lunches and breakfast, and donated commodities was \$1,254,393.

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited) (Continued)

Statement of Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The net cost shows the financial burden that was placed on the School District’s taxpayers by each of these functions.

Governmental Activities

During the fiscal year 2022, the net position of governmental activities increased by \$2,835,338. The primary reason for the increase was due to the repayment of long-term debt principal of \$2,465,000 and capital outlay purchases of \$229,834.

The assets and deferred outflows of the primary government activities exceeded liabilities and deferred inflows by \$12,500,839, with an unrestricted deficit balance of \$(4,915,356). 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 4% of its adopted budget as unassigned fund balance.

Table 3
GASB 68 Effect on Unrestricted Net Position

Unrestricted Net Position (With GASB 68)	\$	(4,915,356)
Add back: PERS Pension Liability		2,742,804
Less: Deferred Outflows related to pensions		(395,893)
Add back: Deferred Inflows related to pensions		<u>1,929,273</u>
Unrestricted Net Position (Without GASB 68)	\$	<u>(639,172)</u>

The School District’s Funds

All Governmental Funds (i.e., General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$37,079,348 and expenditures were \$36,846,787 per Exhibit B-2.

General Fund Budgeting Highlights

The School District’s budget is prepared according to New Jersey law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

During the course of the fiscal 2022 year, the School District amended its General Fund budget as needed. The School District uses program-based budgeting, and the budgeting systems are designed to tightly control program budgets but provide flexibility for program management.

The General Fund revenues exceeded the expenditures and other financing sources of the School District for the year by \$186,652.

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited) (Continued)

Capital Assets

The School District’s capital assets for its governmental and business-type activities as of June 30, 2022, totaled \$36,473,223 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings and improvements and equipment. There was a net increase in the School District’s investment in capital assets for the current fiscal year in the amount of \$1,917,989. This decrease is primarily due to retirement of debt exceeding current year depreciation. Table 4 shows fiscal 2022 balances compared to 2021.

Table 4
Summary of Capital Assets

<u>Capital Assets (Net of Depreciation):</u>	June 30, <u>2022</u>	June 30, <u>2021</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Land	\$ 10,472,909	\$ 10,472,909	\$ -	0.0%
Land Improvements	921,252	1,012,114	(90,862)	-9.0%
Building and Improvements	24,046,694	24,773,493	(726,799)	-2.9%
Equipment	1,032,368	875,687	156,681	17.9%
	<u>\$ 36,473,223</u>	<u>\$ 37,134,203</u>	<u>\$ (660,980)</u>	-1.8%

Debt Administration

Long-term debt – At the end of the current fiscal year, the School District had total bonded debt outstanding of \$23,650,000, which is a decrease of \$2,465,000 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.

For the Future

The Swedesboro-Woolwich Consolidated School District is in good financial condition presently. The School District is proud of its community support of the public schools. A major concern is the sustained enrollment of the School District with the increased reliance on local property taxes. However, future finances are not without challenges as the community continues to grow and State funding is uncertain.

In conclusion, the Swedesboro-Woolwich Consolidated School District has committed itself to financial excellence for many years. In addition, the School District’s system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenges of the future.

Contacting the School Districts Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District’s finances and to show the School District’s accountability for the money it receives. If you have questions about this report or need additional information, contact Mr. Steven Jakubowski Swedesboro-Woolwich Consolidated Board of Education, 15 Fredrick Boulevard, Woolwich Township, New Jersey 08085. Please visit our website at: www.Swedesboro-Woolwich.com.

BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2022

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS - TYPE ACTIVITIES	TOTAL
Cash & Cash Equivalents	\$ 2,130,854	\$ 290,503	\$ 2,421,357
Internal Balances	(283,066)	283,066	-
Receivables, Net (Note 4)	1,108,476	88,841	1,197,317
Inventory	-	17,389	17,389
Restricted Assets:			
Restricted Cash & Cash Equivalents	2,602,442	-	2,602,442
Capital Assets:			
Non-Depreciable (Note 5)	10,472,909	-	10,472,909
Depreciable, Net (Note 5)	25,918,918	81,396	26,000,314
Total Assets	41,950,533	761,195	42,711,728
DEFERRED OUTFLOW OF RESOURCES			
Deferred Loss on Refunding of Debt	974,019	-	974,019
Deferred Outflows Related to Pensions (Note 8)	395,893	-	395,893
Total Deferred Outflow of Resources	1,369,912	-	1,369,912
Total Assets and Deferred Outflow of Resources	43,320,445	761,195	44,081,640
LIABILITIES			
Accounts Payable	72,243	-	72,243
Due to State Government	290,889	-	290,889
Payroll Deductions and Withholdings Payable	176,783	-	176,783
Unearned Revenue	201,827	20,077	221,904
Accrued Interest	337,447	-	337,447
Noncurrent Liabilities (Note 7):			
Due Within One Year	2,748,481	-	2,748,481
Due Beyond One Year	25,062,663	-	25,062,663
Total Liabilities	28,890,333	20,077	28,910,410
DEFERRED INFLOW OF RESOURCES			
Deferred Inflows Related to Pensions (Note 8)	1,929,273	-	1,929,273
Total Deferred Inflow of Resources	1,929,273	-	1,929,273
Total Liabilities and Deferred Inflow of Resources	30,819,606	20,077	30,839,683
NET POSITION			
Net Investment in Capital Assets	12,533,572	81,396	12,614,968
Restricted For:			
Debt Service	4,691	-	4,691
Capital Projects	1,799,613	-	1,799,613
Maintenance Reserve	500,000	-	500,000
Unemployment Fund	302,829	-	302,829
Student Activities	85,278	-	85,278
Excess Surplus	2,080,373	-	2,080,373
Other Purposes	109,839	-	109,839
Unrestricted (Deficit)	(4,915,356)	659,722	(4,255,634)
Total Net Position	\$ 12,500,839	\$ 741,118	\$ 13,241,957

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

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:						
Instruction:						
Regular	\$ 6,921,292	\$ -	\$ 897,566	\$ (6,023,726)	\$ -	\$ (6,023,726)
Special Education	4,252,279	-	-	(4,252,279)	-	(4,252,279)
Other Special Instruction	686,962	-	-	(686,962)	-	(686,962)
Other Instruction	62,351	-	-	(62,351)	-	(62,351)
Support Services & Undistributed Costs:						
Tuition, Student & Instruction Related Services	3,298,731	126,116	364,351	(2,808,264)	-	(2,808,264)
General administrative services	802,878	-	-	(802,878)	-	(802,878)
School Administrative Services	1,124,176	-	-	(1,124,176)	-	(1,124,176)
Central Services	223,006	-	-	(223,006)	-	(223,006)
Administrative information technology	475,423	-	-	(475,423)	-	(475,423)
Plant Operations & Maintenance	2,575,659	-	-	(2,575,659)	-	(2,575,659)
Pupil Transportation	1,621,781	-	-	(1,621,781)	-	(1,621,781)
Unallocated Benefits	10,871,611	-	6,471,028	(4,400,583)	-	(4,400,583)
Interest and Other Charges	797,124	-	-	(797,124)	-	(797,124)
Unallocated Depreciation	881,437	-	-	(881,437)	-	(881,437)
Total Governmental Activities	34,594,710	126,116	7,732,945	(26,735,649)	-	(26,735,649)
Business-Type Activities:						
Food Service	929,505	5,540	1,254,393	-	330,428	330,428
Other Enterprise Funds	25,397	27,004	-	-	1,607	1,607
Total Business-Type Activities	954,902	32,544	1,254,393	-	332,035	332,035
Total Primary Government	\$ 35,549,612	\$ 158,660	\$ 8,987,338	(26,735,649)	332,035	(26,403,614)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes				16,446,491	-	16,446,491
Property Taxes Levied for Debt Service				2,857,561	-	2,857,561
Federal & State Aid Not Restricted				9,390,783	-	9,390,783
Federal & State Aid Restricted				470,033	-	470,033
Tuition				135,405	-	135,405
Miscellaneous Income				270,714	24,311	295,025
Total General Revenues & Transfers				29,570,987	24,311	29,595,298
Change In Net Position				2,835,338	356,346	3,191,684
Net Position - July 1				9,665,501	384,772	10,050,273
Net Position - Ending				\$ 12,500,839	\$ 741,118	\$ 13,241,957

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

B. Fund Financial Statements

Governmental Funds

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2022**

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	TOTALS
Assets:				
Cash & Cash Equivalents	\$ 2,325,749	\$ -	\$ -	\$ 2,325,749
Interfund Receivable	44,400	-	-	44,400
Receivables From Other Governments	513,942	535,492	56,120	1,105,554
Other Accounts Receivable	-	2,922	-	2,922
Restricted Cash & Cash Equivalents	2,602,442	-	-	2,602,442
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	\$ 5,486,533	\$ 538,414	\$ 56,120	\$ 6,081,067
Liabilities & Fund Balances:				
Liabilities:				
Cash Deficit	\$ -	\$ 143,466	\$ 51,429	\$ 194,895
Accounts Payable	-	72,243	-	72,243
Payroll Deductions and Withholdings Payable	176,783	-	-	176,783
Interfund Payable	291,866	35,600	-	327,466
Unearned Revenue	-	201,827	-	201,827
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	468,649	453,136	51,429	973,214
Fund Balances:				
Restricted for:				
Excess Surplus - Prior Year - Designated for				
Subsequent Year's Expenditures	987,769	-	-	987,769
Excess Surplus - Current Year	1,092,604	-	-	1,092,604
Capital Reserve Account	1,799,613	-	-	1,799,613
Maintenance Reserve Account	500,000	-	-	500,000
Unemployment Compensation	302,829	-	-	302,829
Student Activities	-	85,278	-	85,278
Debt Service Fund	-	-	4,691	4,691
Assigned to:				
Other Purposes	75,309	-	-	75,309
Designated by the BOE for				
Subsequent Year's Expenditures	34,530	-	-	34,530
Unassigned:				
General Fund	225,230	-	-	225,230
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balances	5,017,884	85,278	4,691	5,107,853
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities & Fund Balances	\$ 5,486,533	\$ 538,414	\$ 56,120	
Balances	<hr/>	<hr/>	<hr/>	

Amounts reported for *governmental activities* in the statement of net position (A-1) are different because Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$51,886,179 and the accumulated depreciation is \$15,494,352. 36,391,827

Deferred outflows and inflows of resources related to deferred charges or credits on debt refundings are applicable to future reporting periods and therefore are not reported in the funds
Deferred Outflow related to the loss on bond refunding of debt 974,019

Deferred outflows and inflows of resources related to pensions are applicable to future reporting periods and, therefore, are not reported in the funds.
Deferred Outflows related to pensions 395,893
Deferred Inflows related to pensions (1,929,273)

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 (290,889)

Accrued interest payable is not recorded in the fund financial Statements due to the fact that the payable is not due in the current period. (337,447)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (27,811,144)

Net Position of Governmental Activities \$ 12,500,839

**SWEDESBORO-WOOLWICH CONSOLIDATED 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	DEBT SERVICE FUND	TOTALS
Revenues:				
Local Sources:				
Local Tax Levy	\$ 16,446,491	\$ -	\$ 2,857,561	\$ 19,304,052
Tuition	135,405	-	-	135,405
Miscellaneous	295,025	147,416	-	442,441
Total Revenues - Local Sources	<u>16,876,921</u>	<u>147,416</u>	<u>2,857,561</u>	<u>19,881,898</u>
State Sources	15,384,087	-	470,033	15,854,120
Federal Sources	102,713	1,240,617	-	1,343,330
Total Revenues	<u>32,363,721</u>	<u>1,388,033</u>	<u>3,327,594</u>	<u>37,079,348</u>
Expenditures:				
Current Expense:				
Regular Instruction	6,921,292	-	-	6,921,292
Special Education Instruction	3,354,713	897,566	-	4,252,279
Other Special Instruction	686,962	-	-	686,962
Other Instruction	62,351	-	-	62,351
Support Services & Undistributed Costs:				
Undistributed Expenditures				
Student & Instruction Related Services	2,951,673	347,058	-	3,298,731
General Administrative Services	802,878	-	-	802,878
School Administrative Services	1,124,176	-	-	1,124,176
Central Services	223,006	-	-	223,006
Administrative Information Technology	475,423	-	-	475,423
Plant Operations and Maintenance	2,575,659	-	-	2,575,659
Pupil Transportation	1,621,781	-	-	1,621,781
Employee Benefits	11,133,381	-	-	11,133,381
Capital Outlay	132,334	97,500	-	229,834
Debt Service				
Interest	87,129	-	862,594	949,723
Principal	-	-	2,465,000	2,465,000
Total Expenditures	<u>32,152,758</u>	<u>1,342,124</u>	<u>3,327,594</u>	<u>36,822,476</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>210,963</u>	<u>45,909</u>	<u>-</u>	<u>256,872</u>
Other Financing Sources/(Uses):				
Operating Transfers (Out)/In	<u>(24,311)</u>	<u>-</u>	<u>-</u>	<u>(24,311)</u>
Total Other Financing Sources/(Uses)	<u>(24,311)</u>	<u>-</u>	<u>-</u>	<u>(24,311)</u>
Excess/(Deficiency) of Revenues & Other Financing Sources/(Uses) Over/(Under) Expenditures	<u>186,652</u>	<u>45,909</u>	<u>-</u>	<u>232,561</u>
Fund Balances July 1	<u>4,831,232</u>	<u>39,369</u>	<u>4,691</u>	<u>4,875,292</u>
Fund Balances June 30	<u>\$ 5,017,884</u>	<u>\$ 85,278</u>	<u>\$ 4,691</u>	<u>\$ 5,107,853</u>

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

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR FISCAL YEAR ENDED JUNE 30, 2022**

Total Net Change in Fund Balances - Governmental Funds (From B-2)	\$	232,561
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p> <p>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 depreciation exceeded capital outlays in the period:</p>		
Depreciation Expense	\$ (990,979)	
Adjustments	109,542	
Capital Outlays	<u>229,834</u>	(651,603)
<p>Repayment of debt principal is 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.</p>		
Bond Principal Payments		2,465,000
<p>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:</p>		
Amortization of Loss on Bond Refunding	(113,876)	
Amortization of Premium on Bonds	<u>168,874</u>	54,998
<p>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.</p>		
		665,314
<p>Repayment of capital lease principal is 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.</p>		
		58,971
<p>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.</p>		
Prior year	376,077	
Current Year	<u>(337,447)</u>	38,630
<p>Repayment of compensated absences is 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.</p>		
		<u>(28,533)</u>
Change in Net Position of Governmental Activities	\$	<u><u>2,835,338</u></u>

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

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Proprietary Funds

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SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2022

ASSETS	Business-Type Activities				
	Enterprise Funds				
	Food Service Fund	Drama Club	Pay-to- Play	Summer Camp	Totals
Current Assets:					
Cash & Cash Equivalents	\$ 253,657	\$ 16,512	\$ 220	\$ 20,114	\$ 290,503
Accounts Receivable	86,368	-	-	-	86,368
Other Receivables	2,333	-	140	-	2,473
Interfunds Receivable	291,866	-	-	-	291,866
Inventories	17,389	-	-	-	17,389
Total Current Assets	651,613	16,512	360	20,114	688,599
Capital Assets:					
Equipment	522,319	-	-	-	522,319
Less: Accumulated Depreciation	(440,923)	-	-	-	(440,923)
Total Capital Assets	81,396	-	-	-	81,396
Total Assets	733,009	16,512	360	20,114	769,995
LIABILITIES					
Unearned Revenue	20,077	-	-	-	20,077
Interfund Payable	-	7,500	1,300	-	8,800
Total Liabilities	20,077	7,500	1,300	-	28,877
NET POSITION					
Net Investment in Capital Assets	81,396	-	-	-	81,396
Unrestricted	631,536	9,012	(940)	20,114	659,722
Total Net Position	\$ 712,932	\$ 9,012	\$ (940)	\$ 20,114	\$ 741,118

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

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Business-Type Activities					Totals
	Enterprise Funds					
	Food Service Fund	Drama Club	Pay-to Play	Summer Camp		
Operating Revenues:						
Charges for Services:						
Daily Sales - Nonreimbursable Programs	\$ 4,508	\$ -	\$ -	\$ -	\$ -	\$ 4,508
Special Functions/Program Fees	1,032	11,180	11,774	4,050		28,036
Total Operating Revenues	<u>5,540</u>	<u>11,180</u>	<u>11,774</u>	<u>4,050</u>		<u>32,544</u>
Operating Expenses:						
Salaries	331,418	5,500	12,606	1,824		351,348
Employee Benefits	-	-	-	-		-
Purchased Professional Services	57,508	-	-	-		57,508
Supplies and Materials	64,809	5,242	45	180		70,276
Miscellaneous	24,781	-	-	-		24,781
Depreciation Expense	16,277	-	-	-		16,277
Cost of Sales - Reimbursable	434,712	-	-	-		434,712
Cost of Sales - Non Reimbursable	-	-	-	-		-
Total Operating Expenses	<u>929,505</u>	<u>10,742</u>	<u>12,651</u>	<u>2,004</u>		<u>954,902</u>
Operating Income/(Loss)	<u>(923,965)</u>	<u>438</u>	<u>(877)</u>	<u>2,046</u>		<u>(922,358)</u>
Nonoperating Revenues (Expenses):						
Transfer from General Fund	-	-	24,311	-		24,311
State Sources:						
State School Lunch Program	18,933	-	-	-		18,933
Federal Sources:						
National School Lunch Program	805,835	-	-	-		805,835
National School Breakfast Program	345,345	-	-	-		345,345
Emergency Operatings Costs	13,826	-	-	-		13,826
Pandemic EBT Admin Cost Reimbursement	1,242	-	-	-		1,242
Food Distribution Program	69,212	-	-	-		69,212
Total Nonoperating Revenues/(Expenses)	<u>1,254,393</u>	<u>-</u>	<u>24,311</u>	<u>-</u>		<u>1,278,704</u>
Change in Net Position	330,428	438	23,434	2,046		356,346
Total Net Position - Beginning	<u>382,504</u>	<u>8,574</u>	<u>(24,374)</u>	<u>18,068</u>		<u>384,772</u>
Total Net Position - Ending	<u>\$ 712,932</u>	<u>\$ 9,012</u>	<u>\$ (940)</u>	<u>\$ 20,114</u>		<u>\$ 741,118</u>

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

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Business-Type Activities				
	Enterprise Funds				
	Food Service Fund	Drama Club	Pay-to Play	Summer Camp	Totals
Cash Flows From Operating Activities					
Receipts from Customers	\$ 553	\$ 11,180	\$ 11,634	\$ 4,050	\$ 27,417
Payments to Employees	(331,418)	-	(11,306)	(1,824)	(344,548)
Payments to Suppliers	(697,554)	(5,242)	(45)	(180)	(703,021)
Net Cash Provided/(Used) by Operating Activities	(1,028,419)	5,938	283	2,046	(1,020,152)
Cash Flows From Noncapital Financing Activities					
State Sources	19,113	-	-	-	19,113
Federal Sources	1,103,676	-	-	-	1,103,676
Interfund Transfer General Fund	-	-	24,311	-	24,311
Net Cash Provided/(Used) by Noncapital Financing Activities	1,122,789	-	24,311	-	1,147,100
Cash Flows From Capital & Related Financing Activities					
Equipment Purchases	(6,900)	-	-	-	(6,900)
Net Cash Provided/(Used) by Investing Activities	(6,900)	-	-	-	(6,900)
Net Increase/(Decrease) in Cash & Cash Equivalents	87,470	5,938	24,594	2,046	120,048
Balances - Beginning of Year	166,187	10,574	(24,374)	18,068	170,455
Balances - End of Year	\$ 253,657	\$ 16,512	\$ 220	\$ 20,114	\$ 290,503

Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:

Operating Income/(Loss)	\$ (923,965)	\$ 438	\$ (877)	\$ 2,046	\$ (922,358)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities					
Food Distribution Program	69,212	-	-	-	69,212
Depreciation & Net Amortization	16,277	-	-	-	16,277
(Increase)/Decrease in Interfund Receivable	(176,448)	-	-	-	(176,448)
(Increase)/Decrease in Accounts Receivable	-	-	(140)	-	(140)
(Increase)/Decrease in Inventory	(8,508)	-	-	-	(8,508)
Increase/(Decrease) in Unearned Revenue	(4,987)	-	-	-	(4,987)
(Increase)/Decrease in Interfund Payable	-	5,500	1,300	-	6,800
Total Adjustments	(104,454)	5,500	1,160	-	(97,794)
Net Cash Provided/(Used) by Operating Activities	\$ (1,028,419)	\$ 5,938	\$ 283	\$ 2,046	\$ (1,020,152)

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

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SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

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SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Swedesboro-Woolwich Consolidated School District (hereafter referred to as the “School District”) have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

Reporting Entity

The Swedesboro-Woolwich Consolidated School District is a Type II district located in the County of Gloucester, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board consists of 9 members elected to three-year terms and is responsible for the fiscal control of the district. The terms are staggered so that members’ terms expire each year. A Superintendent is appointed by the Board and is responsible for the administrative control of the School District. The School District provides a full range of educational services appropriate to grade levels K through 6.

The primary criterion for including activities within the School 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 School District holds the corporate powers of the organization;
- ◆ the School District appoints a voting majority of the organization’s board
- ◆ the School District is able to impose its will on the organization;
- ◆ the organization has the potential to impose a financial benefit/burden on the School District
- ◆ there is a fiscal dependency by the organization on the School District.

There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School 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 – and Amendment of GASB Statement No. 14* and GASB Statement No. 90, *Majority Equity Interests – An amendment of GASB Statements No. 14 and No. 61*. The School District had no component units as of or for the year ended June 30, 2022.

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

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

Government-Wide Financial Statements

The School 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 School 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 School District's assets, deferred outflows of resources, liabilities, and 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 School 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 School 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 School 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 School 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

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

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

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 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 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 School 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 School 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

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

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

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.

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, Drama Club, Pay-to-Play and Summer Camp 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 School 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 School District does not maintain any internal service funds.

The School District reports the following major governmental funds:

General Fund - The general fund is the general operating fund of the School 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 School 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).

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

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

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.

The School District reports the following major proprietary funds:

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

Drama Club - This fund accounts for the revenues and expenses pertaining to the School District’s plays and productions.

Pay-to-Play Fund - This fund accounts for the revenues and expenses pertaining to the School District’s various sports.

Summer Camps Program – This fund accounts for the revenues and expenses pertaining to the School District’s summer camp program.

During the course of operations, the School 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 School 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.

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

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

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.

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 School 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 School 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.

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

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

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 School 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.

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

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

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

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

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 School District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the School District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

The 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 measurable and the School 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.

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

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

Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. 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 School 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 School 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 School 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.

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

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 School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- Unrestricted – Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

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.

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

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 represent 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 period(s) 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.

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2022 (continued)**

Note 2. Deposits and Investments

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 fund or other funds that 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 School District’s bank balance of \$6,003,111 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$	5,727,690
Uninsured and Uncollateralized		275,421
	\$	6,003,111

Investments

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

Note 3. Reserve Accounts

Capital Reserve

A capital reserve account was established by the School District for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years in the 1991-1992 budget. 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

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 3. Reserve Accounts (Continued)

Capital Reserve (Continued)

pursuant to *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 LRFPP.

The activity of the capital reserve for the July 1, 2021 to June 30, 2022 fiscal year is as follows:

Beginning Balance, July 1, 2021		\$	1,499,532
Increased by:			
Interest Earnings			81
Deposits approved by Board (June 8, 2022)			300,000
			1,799,613
Decreased by:			
Budget Withdrawals			-
Ending Balance, June 30, 2022		\$	1,799,613

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

Maintenance Reserve

Swedesboro-Woolwich Consolidated School District established a Maintenance Reserve Account for the accumulation of Funds for use as maintenance expenditures in subsequent fiscal years. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

The activity of the maintenance reserve for the July 1, 2021 to June 30, 2022 fiscal year is as follows:

Beginning Balance, July 1, 2021		\$	450,000
Increased by:			
Deposits approved by Board (June 8, 2022)			100,000
			550,000
Decreased by:			
Budget Withdrawals			(50,000)
Ending Balance, June 30, 2022		\$	500,000

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, in the aggregate, are as follows:

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

Note 4. Accounts Receivable (continued)

Description	Governmental Funds			Total Governmental Activities	Proprietary Funds		Total Business-Type Activities
	General Fund	Special Revenue Fund	Debt Service Fund		Food Service Fund	Pay to Play Fund	
Federal Awards	\$ 8,360	\$ 535,492	\$ -	\$ 543,852	\$ 84,954	\$ -	\$ 84,954
State Awards	182,583	-	-	182,583	1,414	-	1,414
Other	322,999	2,922	56,120	382,041	2,333	140	2,473
Total	\$ 513,942	\$ 538,414	\$ 56,120	\$ 1,108,476	\$ 88,701	\$ 140	\$ 88,841

Note 5. Capital Assets

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

	Balance July 1, 2021	Additions	Retirements and Transfers	Balance June 30, 2022
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 10,472,909	\$ -	\$ -	\$ 10,472,909
Total Capital Assets not being depreciated	10,472,909	-	-	10,472,909
Capital Assets being depreciated:				
Land Improvements	2,228,032	-	-	2,228,032
Buildings and Improvements	36,680,793	-	-	36,680,793
Equipment	2,240,181	229,834	34,430	2,504,445
Total Capital Assets being depreciated	41,149,006	229,834	34,430	41,413,270
Less: Accumulated Depreciation:				
Land Improvements	(1,215,918)	(90,862)	-	(1,306,780)
Buildings and Improvements	(11,907,300)	(726,799)	-	(12,634,099)
Equipment	(1,455,267)	(173,318)	75,112	(1,553,473)
Total Accumulated Depreciation	(14,578,485)	(990,979)	75,112	(15,494,352)
Total Capital Assets being depreciated, net	26,570,521	(761,145)	109,542	25,918,918
Total Governmental Activities Capital Assets, net	\$ 37,043,430	\$ (761,145)	\$ 109,542	\$ 36,391,827
	Balance July 1, 2021	Additions	Retirements and Transfers	Balance June 30, 2022
Business-Type Activities:				
Equipment	\$ 515,419	\$ 6,900	\$ -	\$ 522,319
Total Capital Assets being depreciated	515,419	6,900	-	522,319
Less: Accumulated Depreciation:				
Equipment	(424,646)	(16,277)	-	(440,923)
Total Capital Assets being depreciated, net	(424,646)	(16,277)	-	(440,923)
Total Business-Type Activities Capital Assets, net	\$ 90,773	\$ (9,377)	\$ -	\$ 81,396

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

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	\$ 44,400	\$ 291,866
Special Revenue Fund	-	35,600
Food Service Fund	291,866	-
Drama Club	-	7,500
Pay-to-Play	-	1,300
	<u>\$ 336,266</u>	<u>\$ 336,266</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. A summary of interfund transfers is as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 24,311
Pay-to-Play	24,311	-
	<u>\$ 24,311</u>	<u>\$ 24,311</u>

Note 7. Long-Term Obligations

During the fiscal year-ended June 30, 2022 the following changes occurred in long-term obligations for the governmental and business-type activities:

	Balance <u>July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2022</u>	Balance Due Within <u>One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 26,115,000	\$ -	\$ 2,465,000	\$ 23,650,000	\$ 2,555,000
Financed Purchases	83,578	-	58,971	24,607	24,607
Unamortized Bond Premiums	1,326,541	-	168,874	1,157,667	168,874
Compensated Absences	207,533	28,533	-	236,066	-
Net Pension Liability	3,843,712	-	1,100,908	2,742,804	-
	<u>\$ 31,576,364</u>	<u>\$ 28,533</u>	<u>\$ 3,793,753</u>	<u>\$ 27,811,144</u>	<u>\$ 2,748,481</u>

For governmental activities, the bonds payable are liquidated from the School District's debt service fund. Compensated absences and net pension liability are liquidated by the general fund.

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

Note 7. Long-Term Obligations (continued)

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.

\$9,105,000 Refunding Bonds of 2013 dated May 2, 2013, payable in annual installments through January 15, 2031. Interest is paid semi-annually at an interest rate from 2.375% to 3%. The remaining balance as of June 30, 2022, was \$6,925,000.

\$17,920,000 Refunding Bonds of 2015 dated April 22, 2015, payable in annual installments through February 15, 2031. The Refunding Bonds were issued with a net interest cost of 1.542453% to advance refund \$1,605,000 of outstanding 2005 School Refunding Bonds, with an interest rate of 4% and net interest costs of 2.971221% to advance refund \$15,435,000 of outstanding 2007 School Bonds with an average interest rate of 4.599684%. The net proceeds of \$18,775,499, including a premium of \$1,037,523 and net of payments of \$98,560 in underwriting fees and \$83,464 of issuance costs were used to purchase U.S. Government Securities. The advance refunding met the requirements for an in-substance debt defeasance and the bonds were removed from the School District's financial statements. As a result of the advance refunding, the School District recognized an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$749,163. Interest is paid semi-annually at an interest rate from 2.25% to 5%. The remaining balance as of June 30, 2022, was \$11,940,000.

\$5,625,000 Refunding Bonds of 2021 dated February 18, 2021, payable in annual installments through February 15, 2028. The Refunding Bonds were issued with a net interest cost of 0.780769% to advance refund \$6,230,000 of outstanding 2010 School Refunding Bonds. The net proceeds of \$6,352,632.30, including a premium of \$727,632.30 and net of payments of \$22,500 in underwriting fees and \$70,253.95 in issuance costs were used to purchase United States Treasury Obligations. The advance refunding met the requirements for an in-substance debt defeasance and the bonds were removed from the School District's financial statements. As a result of the advance refunding, the School District recognized an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$556,791.91. Interest is paid semi-annually at an interest rate of 4%. The remaining balance as of June 30, 2022, was \$4,785,000.

Principal and interest due on the outstanding bonds as of June 30, 2022 is as follows:

Fiscal Year Ending	Principal	Interest	Total
June 30,			
2023	\$ 2,555,000	\$ 769,194	\$ 3,324,194
2024	2,650,000	684,344	3,334,344
2025	2,720,000	605,769	3,325,769
2026	2,815,000	516,119	3,331,119
2027	2,910,000	428,375	3,338,375
2028-2031	10,000,000	833,800	10,833,800
	<u>\$ 23,650,000</u>	<u>\$ 3,837,600</u>	<u>\$ 27,487,600</u>

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 7. Long-Term Obligations (continued)

Financed Purchases

In April 2016, the School District entered into a lease purchase agreement for \$301,287. The lease obligation was issued with an interest rate of 3.99% and matured in August 2021.

In April 2018, the School District entered into a lease purchase agreement for \$93,494. The lease obligation was issued with an interest rate of 2.267% and matured in April 2022.

In June 2019, the School District entered a lease purchase agreement for \$96,200. The lease obligation was issued with an interest rate of 3.7% and matures in July 2022.

The following is a schedule of future minimum financed purchase agreement payments as of June 30, 2022.

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 24,607	\$ 926	\$ 25,533
	\$ 24,607	\$ 926	\$ 25,533

Bonds Authorized But Not Issued:

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

Note 8. Pension Plans

A. Public Employees' Retirement System (PERS)

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

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

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

Note 8. Pension Plans (continued)

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

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

Contributions - The contribution policy for PERS is set by *N.J.S.A. 15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for 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 \$2,742,804 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 0.02315%, which was a decrease of 0.00042% 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 \$(394,165) 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:

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

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	\$ 43,258	\$ 19,635
Changes of Assumptions	14,285	976,456
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	722,527
Changes in Proportion and Differences between District Contributions and Proportionate Share of Contributions	47,461	210,655
School District Contributions Subsequent to Measurement Date	290,889	\$ -
	<u>\$ 395,893</u>	<u>\$ 1,929,273</u>

\$290,889 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	\$ (696,075)
2023	(523,982)
2024	(376,765)
2025	(224,310)
2026	(3,137)
	<u>\$ (1,824,269)</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:

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

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

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

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:

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

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>\$ 3,774,960</u>	<u>\$ 2,742,804</u>	<u>\$ 1,920,925</u>

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

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	0.02315%	0.02357%

B. Teachers' Pension and Annuity Fund (TPAF)

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

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

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 \$48,062,053. 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 0.09997%, which was a decrease of 0.00019% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2021, the School District recognized \$1,130,921 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:

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2022 (continued)**

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:

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

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:

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

Note 8. Pension Plans (continued)

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

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
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	56,865,437	48,062,053	40,667,764
	<u>\$ 56,865,437</u>	<u>\$ 48,062,053</u>	<u>\$ 40,667,764</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	0.09997%	0.09979%

C. Defined Contribution Plan (DCRP)

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

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in the Public Employees' Retirement System (PERS) or Teachers' Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

Note 8. Pension Plans (continued)

C. Defined Contribution Plan (DCRP) (continued)

- 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 \$13,834, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$5,973.

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 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.

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

Note 9. Other Post-Retirement Benefits (continued)

General Information about the OPEB Plan (continued)

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.

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

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 \$48,761,089. 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 0.0813%, which was an increase of 0.0019% 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 \$4,445,133 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:

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

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	\$ 58,408,130	\$ 48,761,089	\$ 41,164,623
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	\$ 39,472,260	\$ 48,761,089	\$ 61,235,300
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.

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

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

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

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 normal costs, post-retirement medical costs, non-contributory insurance and social security were \$4,216,012, \$985,031, \$1,543, and \$893,431 respectively.

Note 11. Risk Management

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

New Jersey Unemployment Compensation Insurance – The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan the School District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The School District is billed quarterly

for amounts due to the State. The following is a summary of School District contributions, reimbursements to the State for benefits paid and the ending balance of the School District's trust fund for the current and previous two years:

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 11. Risk Management (continued)

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2021-2022	\$ 23,785	\$ -	\$ 302,829
2020-2021	23,607	1,428	279,044
2019-2020	23,963	29	256,865

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

Note 12. Contingencies

State and Federal Grantor Agencies - The School 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 School 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 School 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.

Litigation – It is the opinion of the administration and legal counsels, that there exists no litigation or contingent liability that may be pending against the Swedesboro-Woolwich Consolidated School District that would have a material or adverse effect on the Board or the financial position of the School District.

Economic Dependency – The School 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 School District’s programs and activities.

Note 13. 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(b). The plans, which are administered by Mass Mutual and Colonial, 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.

Note 14. Compensated Absences

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

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

Note 14. Compensated Absences (Continued)

School District employees are granted varying amount of vacation and sick leave in accordance with the School District's personnel policies. Upon termination, employees are paid for accrued vacation. The School 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 School District for the unused sick leave in accordance with the School 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. At June 30, 2022, the liability for compensated absences reported on the government-wide Statement of Net Position was \$236,066.

Note 15. 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 school district property value and wealth.

Note 16. 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 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 \$1,092,604.

Note 17. Fund Balances

General Fund – Of the \$5,017,884 General Fund balance at June 30, 2022, \$1,799,613 has been restricted for the Capital Reserve Account; \$500,000 has been restricted for the Maintenance Reserve Account; \$302,829 has been restricted for the Unemployment Reserve Account; \$1,092,604 has been restricted for current year excess surplus; \$987,769 is restricted for prior year excess surplus – designated for subsequent year's expenditures; \$75,309 has been assigned to other purposes; \$34,530 has been assigned to designated for subsequent year's expenditures and \$225,230 has been unassigned.

Special Revenue Fund – Of the \$85,278 Special Revenue Fund balance at June 30, 2022, \$85,578 is restricted for future student activities.

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

Note 17. Fund Balances (continued)

Debt Service Fund – Of the \$4,691 Debt Service Fund balance at June 30, 2022, \$4,691 is restricted for future debt service payments.

Note 18. Deficit in Net Position

Unrestricted Net Position – The School District’s governmental activities had a deficit in unrestricted net position in the amount of \$4,915,356. 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 19. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2022 and February 8, 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 those noted below have come to the attention of the District that would require disclosure.

Energy Savings Improvement Lease Purchase

In December of 2022, the District issued \$3,743,458 under the Energy Savings Improvement Lease. The lease was issued at an interest rate of 3.99% and has a final maturity date of December 15, 2041. The proceeds of the ESIP will be used to provide for and install solar energy producers within the District.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2022

ACCOUNT NUMBER	JUNE 30, 2022				POSITIVE (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Revenues:						
Local Sources:						
Local Tax Levy	10-1210	\$ 16,446,491	\$ -	\$ 16,446,491	\$ 16,446,491	\$ -
Tuition from Other LEA's Within the State	10-1320	150,000	-	150,000	128,741	(21,259)
Tuition from Government Sources Within the State	10-1321	-	-	-	6,664	6,664
Rent and Royalties	10-1910	-	-	-	10,738	10,738
Interest Earned on Maintenance Reserve	10-1XXX	1	-	1	-	(1)
Interest Earned on Capital Reserve	10-1XXX	1	-	1	81	80
Interest Earned on Investments	10-1xxx	-	-	-	1,985	1,985
Other Restricted Miscellaneous Revenues		220,000	-	220,000	282,221	62,221
Total Local Sources		16,816,493	-	16,816,493	16,876,921	60,428
State Sources:						
Categorical Special Education Aid	10-3132	1,357,452	-	1,357,452	1,357,452	-
Equalization Aid	10-3176	7,044,005	-	7,044,005	7,044,005	-
Security Aid	10-3177	162,836	-	162,836	162,836	-
Categorical Transportation Aid	10-3121	665,956	-	665,956	665,956	-
Extraordinary Aid	10-3131	60,000	-	60,000	100,761	40,761
Non Public Transportation	10-3XXX	-	-	-	31,610	31,610
Nonbudgeted:						
On-Behalf TPAF Medical Contributions		-	-	-	985,031	985,031
On-Behalf TPAF Pension Contributions		-	-	-	4,216,012	4,216,012
On-Behalf TPAF Long-Term Disability Contributions		-	-	-	1,543	1,543
Reimbursed TPAF Social Security Contributions		-	-	-	893,431	893,431
Total State Sources		9,290,249	-	9,290,249	15,458,637	6,168,388
Federal Sources:						
COVID-19 Medicare Reimbursement	10-4210	-	-	-	68,276	68,276
Medicare Reimbursement	10-4200	27,011	-	27,011	34,437	7,426
Total Federal Sources		27,011	-	27,011	102,713	75,702
Total Revenues		26,133,753	-	26,133,753	32,438,271	6,304,518
Current Expense:						
Instruction - Regular Programs:						
Salaries of Teachers:						
Preschool/Kindergarten	11-110-100-101	742,900	(183,769)	559,131	559,131	-
Grades 1 - 5	11-120-100-101	4,223,133	259,414	4,482,547	4,482,547	-
Grades 6 - 8	11-130-100-101	864,509	(116,816)	747,693	740,641	7,052
Home Instruction:						
Salaries of Teachers	11-150-100-101	-	1,843	1,843	1,843	-
Purchased Professional - Educational Services	11-150-100-320	89,400	(18,243)	71,157	58,813	12,344
Regular Programs - Undistributed Instruction:						
Purchased Professional - Educational Services	11-190-100-320	597,000	-	597,000	492,848	104,152
Other Purchased Services	11-190-100-500	1,500	-	1,500	964	536
General Supplies	11-190-100-610	641,280	83,920	725,200	582,539	142,661
Textbooks	11-190-100-640	2,000	(1,500)	500	-	500
Other Objects	11-190-100-800	7,500	(2,000)	5,500	1,966	3,534
Total Regular Programs		7,169,222	22,849	7,192,071	6,921,292	270,779
Special Education:						
Learning and/or Language Disabilities:						
Salaries of Teachers	11-204-100-101	1,006,927	71,805	1,078,732	1,076,013	2,719
Other Salaries for Instruction	11-204-100-106	77,260	(64,100)	13,160	13,160	-
General Supplies	11-204-100-610	16,800	-	16,800	8,413	8,387
Total Learning and/or Language Disabilities		1,100,987	7,705	1,108,692	1,097,586	11,106
Behavioral Disabilities:						
Salaries of Teachers	11-209-100-101	70,000	(70,000)	-	-	-
General Supplies	11-209-100-610	4,251	-	4,251	653	3,598
Total Behavioral Disabilities		74,251	(70,000)	4,251	653	3,598

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2022

	ACCOUNT NUMBER	JUNE 30, 2022			ACTUAL	POSITIVE (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Multiple Disabilities:						
Salaries of Teachers	11-212-100-101	176,969	147,733	324,702	324,470	232
Other Salaries for Instruction	11-212-100-106	73,760	34,324	108,084	102,013	6,071
General Supplies	11-212-100-610	5,369	1,250	6,619	418	6,201
Total Multiple Disabilities:		256,098	183,307	439,405	426,901	12,504
Resource Room:						
Salaries of Teachers	11-213-100-101	1,376,793	(155,568)	1,221,225	1,141,652	79,573
Other Salaries for Instruction	11-213-100-106	18,000	-	18,000	-	18,000
General Supplies	11-213-000-610	15,652	133	15,785	12,179	3,606
Total Resource Room		1,410,445	(155,435)	1,255,010	1,153,831	101,179
Autism:						
Salaries of Teachers	11-214-100-101	497,139	(41,202)	455,937	327,328	128,609
Other Salaries for Instruction	11-214-100-106	216,967	18,746	235,713	232,226	3,487
General Supplies	11-214-100-610	10,273	225	10,498	6,099	4,399
Total Autism		724,379	(22,231)	702,148	565,653	136,495
Preschool Handicapped - Part-Time:						
Salaries of Teachers	11-215-100-101	106,246	1,250	107,496	107,496	-
General Supplies	11-215-100-600	5,959	(2,500)	3,459	2,593	866
Total Preschool Handicapped -Part-Time		112,205	(1,250)	110,955	110,089	866
Preschool Handicapped - Full-Time:						
General Supplies	11-216-100-600	10,942	-	10,942	-	10,942
Total Preschool Handicapped -Full-Time		10,942	-	10,942	-	10,942
Total Special Education		3,689,307	(57,904)	3,631,403	3,354,713	276,690
Basic Skills/Remedial:						
Salaries of Teachers	11-230-100-101	486,459	26,081	512,540	474,261	38,279
Total Basic Skills/Remedial		486,459	26,081	512,540	474,261	38,279
Bilingual:						
Salaries of Teachers	11-240-100-101	122,124	90,577	212,701	212,701	-
Total Bilingual		122,124	90,577	212,701	212,701	-
School Sponsored Cocurricular Activities:						
Salaries	11-401-100-100	60,000	5,000	65,000	60,176	4,824
Total School Sponsored Cocurricular Activities		60,000	5,000	65,000	60,176	4,824
Other Instructional Programs						
Salaries	11-421-100-100	17,000	3,494	20,494	2,175	18,319
Total Other Instructional Programs		17,000	3,494	20,494	2,175	18,319
Total - Instruction		11,544,112	90,097	11,634,209	11,025,318	608,891
Undistributed Expenditures:						
Tuition						
Tuition to Other LEA'S Within State - Regular	11-000-100-561	40,000	40,115	80,115	80,115	-
Tuition to CSSD & Regular Day Schools	11-000-100-565	143,640	8,340	151,980	142,650	9,330
Tuition to Private School for Handicapped - State	11-000-100-566	222,075	(165,263)	56,812	23,284	33,528
Total Tuition		405,715	(116,808)	288,907	246,049	42,858

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	ACCOUNT NUMBER	JUNE 30, 2022			ACTUAL	POSITIVE (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Health Services:						
Salaries	11-000-213-100	430,094	(45,013)	385,081	377,988	7,093
Purchased Professional & Technical Services	11-000-213-300	14,500	(123)	14,377	9,162	5,215
Supplies and Materials	11-000-213-600	5,000	372	5,372	5,140	232
Other Objects	11-000-213-800	1,000	-	1,000	641	359
Total Health Services		450,594	(44,764)	405,830	392,931	12,899
Other Support Services - Students - Related Services						
Salaries	11-000-216-100	481,977	104,682	586,659	581,285	5,374
Purchased Technical Services	11-000-216-320	595,338	(60,868)	534,470	458,277	76,193
Travel	11-000-216-580	-	5,462	5,462	2,191	3,271
Supplies and Materials	11-000-216-600	15,592	(5,462)	10,130	5,924	4,206
Total Other Support Services - Students - Related Services		1,092,907	43,814	1,136,721	1,047,677	89,044
Other Support Services - Students - Regular:						
Salaries of Other Professional Staff	11-000-218-104	290,258	(4,559)	285,699	270,830	14,869
Supplies and Materials	11-000-218-600	3,200	-	3,200	1,755	1,445
Total Other Support Services - Students - Special Services		293,458	(4,559)	288,899	272,585	16,314
Other Support Services - Students - Special Services:						
Salaries of Other Professional Staff	11-000-219-104	573,180	4,559	577,739	577,739	-
Salaries of Secretarial and Clerical Assistants	11-000-219-105	73,173	35	73,208	73,208	-
Other Purchased Educational Services	11-000-219-320	54,202	1,639	55,841	12,623	43,218
Other Purchased Professional and Technical Services	11-000-219-390	60,000	3,800	63,800	25,783	38,017
Other Purchased Services	11-000-219-500	6,300	-	6,300	4,826	1,474
Supplies and Materials	11-000-219-600	12,514	-	12,514	6,595	5,919
Total Other Support Services - Students - Special Services		779,369	10,033	789,402	700,774	88,628
Improvement of Instruction Services/Other Support Services - Instruction Staff:						
Salaries of Supervisors of Instruction	11-000-221-102	92,616	(5,000)	87,616	80,000	7,616
Other Salaries	11-000-221-110	55,000	-	55,000	4,546	50,454
Other Purchased Educational Services	11-000-221-320	5,595	(3,745)	1,850	1,130	720
Other Purchased Services	11-000-221-500	6,000	398	6,398	5,123	1,275
Supplies and Materials	11-000-221-600	5,400	(2,520)	2,880	2,585	295
Total Improvement of Instruction Services/Other Support Services Instructional Staff		164,611	(10,867)	153,744	93,384	60,360
Educational Media Services/School Library:						
Salaries	11-000-222-100	77,824	-	77,824	77,823	1
Other Purchased Professional and Technical Services	11-000-222-340	500	-	500	-	500
Supplies and Materials	11-000-222-600	1,500	3,300	4,800	3,576	1,224
Other Objects	11-000-222-800	800	-	800	-	800
Total Educational Media Services/School Library		80,624	3,300	83,924	81,399	2,525
Instructional Staff Training Services:						
Other Salaries	11-000-223-110	27,000	36,026	63,026	45,051	17,975
Other Purchased Educational Services	11-000-223-320	101,960	(37,460)	64,500	64,500	-
Other Purchased Services	11-000-223-500	8,100	-	8,100	7,323	777
Total Instructional Staff Training Services		137,060	(1,434)	135,626	116,874	18,752
Support Services General Administration:						
Salaries	11-000-230-100	259,611	-	259,611	256,160	3,451
Legal Services	11-000-230-331	59,000	(541)	58,459	58,459	-
Audit fees	11-000-230-332	22,000	9,500	31,500	31,500	-
Other Purchased Professional Services	11-000-230-339	18,400	(2,544)	15,856	15,856	-
Communications/Telephone	11-000-230-530	132,700	47,961	180,661	175,351	5,310
BOE Other Purchased Services	11-000-230-585	5,000	(3,850)	1,150	900	250
Other Purchased Services	11-000-230-590	80,000	21,624	101,624	100,651	973
Supplies and Materials	11-000-230-610	4,000	(218)	3,782	3,521	261
Judgments	11-000-230-820	-	150,000	150,000	150,000	-
Miscellaneous Expenditures	11-000-230-890	10,500	(20)	10,480	10,480	-
Total Support Services General Administration		591,211	221,912	813,123	802,878	10,245

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2022

	ACCOUNT NUMBER	JUNE 30, 2022			ACTUAL	POSITIVE (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Support Services School Administration:						
Salaries of Principals/Assistant Principals	11-000-240-103	725,037	34,809	759,846	746,184	13,662
Salaries of Other Professional Staff	11-000-240-104	131,199	(385)	130,814	102,128	28,686
Salaries of Secretarial & Clerical Assistants	11-000-240-105	229,883	385	230,268	230,268	-
Other Purchased Services	11-000-240-500	5,500	-	5,500	4,345	1,155
General Supplies	11-000-240-600	43,000	2,683	45,683	33,018	12,665
Other Objects	11-000-240-800	21,700	(5,462)	16,238	8,233	8,005
Total Support Services School Administration		1,156,319	32,030	1,188,349	1,124,176	64,173
Central Services:						
Salaries	11-000-251-100	223,879	-	223,879	212,978	10,901
Other Purchased Services	11-000-251-592	2,000	-	2,000	1,012	988
General Supplies	11-000-251-600	5,000	1,763	6,763	6,606	157
Miscellaneous Expenditures	11-000-251-890	4,000	-	4,000	2,410	1,590
Total Central Services		234,879	1,763	236,642	223,006	13,636
Administrative Information Technology:						
Salaries	11-000-252-100	298,108	-	298,108	293,134	4,974
Purchased Technical Services	11-000-252-340	156,200	26,452	182,652	176,659	5,993
Other Purchased Services	11-000-252-500	2,500	-	2,500	1,362	1,138
General Supplies	11-000-252-600	2,000	2,986	4,986	4,268	718
Other Objects	11-000-252-800	1,000	-	1,000	-	1,000
Total Administrative Information Technology		459,808	29,438	489,246	475,423	13,823
Maintenance for School Facilities:						
Salaries	11-000-261-100	220,193	2,272	222,465	222,465	-
Cleaning, Repair & Maintenance	11-000-261-420	198,644	192,288	390,932	361,724	29,208
Lead Testing of Drinking Water	11-000-261-421	14,000	(5,662)	8,338	8,338	-
General Supplies	11-000-261-610	50,000	(12,052)	37,948	35,645	2,303
Other Objects	11-000-261-800	2,000	(261)	1,739	1,739	-
Total Maintenance for School Facilities		484,837	176,585	661,422	629,911	31,511
Custodial Services:						
Salaries	11-000-262-100	336,425	(37,276)	299,149	292,858	6,291
Cafeteria Aids	11-000-262-107	148,500	40,682	189,182	189,182	-
Purchased Professional & Technical Services	11-000-262-300	2,750	(1,548)	1,202	1,202	-
Cleaning, Repair & Maintenance Services	11-000-262-420	363,000	21,811	384,811	380,592	4,219
Other Purchased Property Services	11-000-262-490	139,000	(6,048)	132,952	132,851	101
Insurance	11-000-262-520	100,715	(1,714)	99,001	99,001	-
General Supplies	11-000-262-610	60,000	(7,786)	52,214	29,632	22,582
Energy (Natural Gas)	11-000-262-621	76,000	22,265	98,265	90,033	8,232
Energy (Heat & Electricity)	11-000-262-622	443,000	83,216	526,216	526,216	-
Energy (Gasoline)	11-000-262-626	3,600	566	4,166	4,166	-
Other Objects	11-000-262-800	500	(412)	88	-	88
Total Custodial Services		1,673,490	113,756	1,787,246	1,745,733	41,513
Care & Upkeep of Grounds:						
Cleaning, Repair & Maintenance Services	11-000-263-420	74,000	11,835	85,835	84,335	1,500
General Supplies	11-000-263-610	5,000	1,145	6,145	933	5,212
Total Care & Upkeep of Grounds		79,000	12,980	91,980	85,268	6,712
Security:						
Purchased Professional & Technical Services	11-000-266-300	137,900	(11,258)	126,642	112,489	14,153
Cleaning, Repair & Maintenance Services	11-000-266-420	3,000	(1,015)	1,985	1,985	-
General Supplies	11-000-266-610	2,000	(1,727)	273	273	-
Total Security		142,900	(14,000)	128,900	114,747	14,153
Total Other Operating & Maintenance of Plant Services		2,380,227	289,321	2,669,548	2,575,659	93,889

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2022**

ACCOUNT NUMBER	JUNE 30, 2022				POSITIVE (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Student Transportation Services:						
Salaries for Pupil Transportation (Between Home & School) - Regular	11-000-270-160	51,006	24	51,030	51,030	-
Contracted Srv. Aid in Lieu of Payments- NonPub Sch	11-000-270-503	100,000	6,767	106,767	106,767	-
Contracted Srv. Aid in Lieu of Payments- Charter	11-000-270-504	5,000	(3,000)	2,000	1,500	500
Contracted Srv. Aid in Lieu of Payments- Choice	11-000-270-505	3,000	3,000	6,000	6,000	-
Contract Svc (btw home & sch) - vendor	11-000-270-512	-	3,000	3,000	1,239	1,761
Contract Svc (btw home & sch) - joint agree	11-000-270-513	1,383,250	(145,443)	1,237,807	1,223,119	14,688
Contract Svc (special ed) - joint agreement	11-000-270-515	358,000	(126,064)	231,936	231,936	-
General Supplies	11-000-270-610	700	-	700	190	510
Miscellaneous Expenditures	11-000-270-800	250	-	250	-	250
Total Student Transportation Services		1,901,206	(261,716)	1,639,490	1,621,781	17,709
Unallocated Benefits - Employee Benefits:						
Social Security Contributions	11-000-291-220	200,000	(5,049)	194,951	183,311	11,640
Other Retirement Contributions - PERS	11-000-291-241	286,720	(1,159)	285,561	284,090	1,471
Workmen's Compensation	11-000-291-260	103,000	(3,693)	99,307	99,307	-
Health Benefits	11-000-291-270	4,477,515	(5,478)	4,472,037	4,385,648	86,389
Tuition Reimbursement	11-000-291-280	50,000	(28,922)	21,078	20,706	372
Other Employee Benefits	11-000-291-290	-	63,062	63,062	63,062	-
Unused Sick Payment to Terminated/Retired Staff	11-000-291-299	56,000	(54,760)	1,240	1,240	-
Total Unallocated Benefits		5,173,235	(35,999)	5,137,236	5,037,364	99,872
Nonbudgeted:						
On-Behalf TPAF Medical Contributions		-	-	-	985,031	(985,031)
On-Behalf TPAF Pension Contributions		-	-	-	4,216,012	(4,216,012)
On-Behalf TPAF Long-Term Disability Contributions		-	-	-	1,543	(1,543)
Reimbursed TPAF Social Security Contributions		-	-	-	893,431	(893,431)
Total On-Behalf		-	-	-	6,096,017	(6,096,017)
Total Undistributed Expenditures		15,301,223	155,464	15,456,687	20,907,977	(5,451,290)
Total Expenditures - Current Expense		26,845,335	245,561	27,090,896	31,933,295	(4,842,399)
Capital Outlay:						
Interest Deposit to Maintenance Reserve	10-603	1	-	1	-	1
Interest Deposit to Capital Reserve	10-604	1	-	1	-	1
Equipment:						
Grades 1-5	12-120-100-730	100,000	-	100,000	-	100,000
Undistributed Expenditures:						
Administration Technology	12-000-252-732	76,100	-	76,100	76,100	-
Custodial Services	12-000-262-732	-	23,234	23,234	23,234	-
Total Equipment		176,100	23,234	199,334	99,334	100,000
Facilities Acquisition & Construction Services:						
Architect & Engineering Services	12-000-400-334	-	-	-	-	-
Construction Services	12-000-400-450	-	33,000	33,000	33,000	-
Buildings Other than Lease Purchase Agreements	12-000-400-720	-	48,648	48,648	-	48,648
Assesment for Debt Service on SDA Funding	12-000-400-896	87,129	-	87,129	87,129	-
Total Facilities Acquisition & Construction Services		87,129	81,648	168,777	120,129	48,648
Total Capital Outlay		263,231	104,882	368,113	219,463	148,650
Transfer to Charter School	10-000-100-560	11,809	-	11,809	-	11,809
Total Transfer to Charter School		11,809	-	11,809	-	11,809
Total Expenditures		27,120,375	350,443	27,470,818	32,152,758	(4,681,940)

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	ACCOUNT NUMBER	JUNE 30, 2022			POSITIVE (NEGATIVE) FINAL TO ACTUAL	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		ACTUAL
Excess/(Deficiency) of Revenues Over/(Under) Expenditures Before Other Financing Sources/(Uses)		(986,622)	(350,443)	(1,337,065)	285,513	1,622,578
Other Financing Sources/(Uses):						
Transfers to Cover Deficit (Enterprise Fund)	11-000-310-93X	-	(24,311)	(24,311)	(24,311)	-
Total Other Financing Sources/(Uses)		-	(24,311)	(24,311)	(24,311)	-
Excess/(Deficiency) of Revenues Over/(Under) After Expenditures & Other Financing Sources/(Uses)		(986,622)	(374,754)	(1,361,376)	261,202	1,622,578
Fund Balances, July 1		5,647,065	-	5,647,065	5,647,065	-
Fund Balances, June 30		\$ 4,660,443	\$ (374,754)	\$ 4,285,689	\$ 5,908,267	\$ 1,622,578

RECAPITULATION OF BUDGET TRANSFERS

Prior Year Reserve for Encumbrances	\$ 374,754
Total Budget Transfers	\$ 374,754

RECAPITULATION OF FUND BALANCE:

Restricted Fund Balance:		
Excess Surplus	\$ 1,092,604	
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures	987,769	
Capital Reserve	1,799,613	
Maintenance Reserve	500,000	
Unemployment Compensation	302,829	
Assigned Fund Balance:		
Reserve for Encumbrances	75,309	
Designated for Subsequent Year's Expenditures	34,530	
Unassigned Fund Balance	<u>1,115,613</u>	
Subtotal	5,908,267	
Reconciliation to Governmental Funds Statements (GAAP):		
Last Two State Aid Payments Not Recognized on GAAP Basis	<u>(890,383)</u>	
Fund Balance per Governmental Funds (GAAP)	<u>\$ 5,017,884</u>	

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2022

	JUNE 30, 2022				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
REVENUES					
State Sources	\$ 36,182	\$ -	\$ 36,182	\$ 36,182	\$ -
Federal Sources	1,033,956	1,025,404	2,059,360	1,235,956	(823,404)
Local Sources	30,000	36,285	66,285	161,192	94,907
Total Revenues	1,100,138	1,061,689	2,161,827	1,433,330	(728,497)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	108,035	443,782	551,817	151,452	400,365
Purchased Professional - Educational Services	14,139	3,597	17,736	17,736	-
Other Purchased Services	-	7,935	7,935	7,185	750
Tuition	236,296	43,597	279,893	279,893	-
General Supplies	55,000	444,685	499,685	450,415	49,270
Total Instruction	413,470	943,596	1,357,066	906,681	450,385
Support Services:					
Other Salaries	80,000	-	80,000	24,221	55,779
Personal Services - Employee Benefits	226,126	8,020	234,146	118,210	115,936
Purchased Professional & Technical Services	104,182	104,316	208,498	153,045	55,453
Other Purchased Services	81,860	5,757	87,617	5,757	81,860
Other Objects	15,000	-	15,000	1,800	13,200
Student Activities	30,000	-	30,000	80,207	(50,207)
Total Support Services	537,168	118,093	655,261	383,240	272,021
Facilities Acquisitions & Construction Services:					
Instructional Equipment	149,500	-	149,500	97,500	52,000
Total Facilities Acquisitions & Construction Services	149,500	-	149,500	97,500	52,000
Total Expenditures	1,100,138	1,061,689	2,161,827	1,387,421	774,406
Total Outflows	1,100,138	1,061,689	2,161,827	1,387,421	774,406
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	-	-	-	45,909	45,909
Fund Balance, July 1	39,369	-	39,369	39,369	-
Fund Balance, June 30	<u>\$ 39,369</u>	<u>\$ -</u>	<u>\$ 39,369</u>	<u>\$ 85,278</u>	<u>\$ 45,909</u>
Recapitulation of Fund Balance:					
Restricted:					
Student Activities				<u>\$ 85,278</u>	
Total Fund Balance				<u>\$ 85,278</u>	

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

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**SWEDESBORO-WOOLWICH CONSOLIDATED 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) "revenues" from the budgetary comparison schedules	\$ 32,438,271	\$ 1,433,330
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.	-	(45,297)
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year	(890,383)	-
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	815,833	-
	815,833	-
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	\$ 32,363,721	\$ 1,388,033
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Expenditures" From the Budgetary Comparison Schedule	\$ 32,152,758	\$ 1,387,421
Differences- Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposed, but in the year the supplies are received for financial reporting purposes.	\$ -	\$ (45,297)
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	\$ 32,152,758	\$ 1,342,124

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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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SWEDESBORO-WOOLWICH CONSOLIDATED 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)	0.02315%	0.02357%	0.02449%	0.02460%	0.02410%	0.02333%	0.02371%	0.02138%	0.02066%
District's proportionate share of the net pension liability (asset)	\$2,742,804	\$3,843,712	\$4,412,068	\$ 4,843,904	\$ 5,610,101	\$ 6,909,464	\$ 5,321,339	\$ 4,002,180	\$ 3,948,134
District's covered-employee payroll	1,723,433	1,684,455	1,670,282	1,693,543	1,757,633	1,601,284	1,676,600	1,587,945	N/A
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	159.148%	228.187%	264.151%	286.022%	319.185%	431.495%	317.389%	252.035%	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%	47.93%	52.08%	48.72%

** 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.

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST NINE FISCAL YEARS**

	2022	2022	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 271,147	\$ 257,848	\$ 238,180	\$ 244,705	\$ 223,261	\$ 207,254	\$ 203,801	\$ 176,221	\$ 155,653
Contributions in relation to the contractually required contribution	271,147	257,848	238,180	244,705	223,261	207,254	203,801	176,221	155,653
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 1,723,433	\$ 1,693,543	\$ 1,670,282	\$ 1,693,543	\$ 1,757,633	\$ 1,601,284	\$ 1,676,600	\$ 1,587,945	N/A
Contributions as a percentage of covered-employee payroll	15.73%	15.23%	14.26%	14.45%	12.70%	12.94%	12.16%	11.10%	**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.

**SWEDESBORO-WOOLWICH CONSOLIDATED 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
District's proportion of the net pension liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's proportionate share of the net pension liability (asset) associated with the District	\$ 48,062,053	\$ 65,708,334	\$ 59,201,035	\$ 62,101,646	\$ 61,538,444	\$ 69,173,008	\$ 55,619,967	\$ 46,323,637	\$ 42,210,628
District's covered-employee payroll	12,245,799	11,764,189	10,998,146	10,670,963	10,271,323	9,781,086	9,098,846	8,885,377	N/A
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee 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%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

** 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

**SWEDESBORO-WOOLWICH CONSOLIDATED 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.

SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR OTHER POST EMPLOYMENT BENEFITS (GASB 75)

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SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
SCHEDULE OF CHANGES 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
District's Total OPEB Liability					
Service Cost	\$ 3,619,627	\$ 1,997,616	\$ 1,878,628	\$ 2,158,866	\$ 2,607,405
Interest Cost	1,264,914	1,176,893	1,326,705	1,422,365	1,220,648
Change in Benefit Terms	(51,900)				
Difference between Expected and Actual Differences	(8,941,942)	9,616,917	(3,526,492)	(4,076,027)	-
Changes of Assumptions	48,107	9,824,917	478,286	(3,772,729)	(5,631,021)
Contributions: Member	32,338	28,382	29,189	30,383	32,403
Gross Benefit Payments	(996,398)	(936,376)	(984,699)	(879,103)	(879,990)
Net Change in District's Total OPEB Liability	(5,025,254)	21,708,349	(798,383)	(5,116,245)	(2,650,555)
District's Total OPEB Liability (Beginning)	53,786,343	32,077,994	32,876,377	37,992,622	40,643,177
District's Total OPEB Liability (Ending)	<u>\$ 48,761,089</u>	<u>\$ 53,786,343</u>	<u>\$ 32,077,994</u>	<u>\$ 32,876,377</u>	<u>\$ 37,992,622</u>
District's Covered Employee Payroll	\$ 13,969,232	\$ 13,448,644	\$ 12,668,428	\$ 12,364,506	\$ 12,028,956
District's Net OPEB Liability as a Percentage of Payroll	349.06%	399.94%	253.21%	265.89%	315.84%

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

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

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**SWEDESBORO-WOOLWICH CONSOLIDATED 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 7.00% 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 - The discount rate changed from 5.60% as of June 30, 2020, to 7.00% as of June 30, 2021.

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.

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OTHER SUPPLEMENTARY INFORMATION

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E. Special Revenue Fund

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

	E.S.S.A.		IDEA		IDEA		IDEA		IDEA	
	Title I	Title II Part A	Title III	Title III Immigrant	Title IV	Part B Basic Regular Program	IDEA Preschool Program	IDEA Part B Basic ARP	IDEA Preschool ARP	IDEA Preschool ARP
Revenues:										
Federal Sources	\$ 91,632	\$ 23,634	\$ 17,689	\$ 12,824	\$ 10,000	\$ 279,893	\$ 17,736	\$ 67,514	\$ 5,757	\$ 5,757
Total Revenues	\$ 91,632	\$ 23,634	\$ 17,689	\$ 12,824	\$ 10,000	\$ 279,893	\$ 17,736	\$ 67,514	\$ 5,757	\$ 5,757
Expenditures:										
Instruction:										
Salaries of Teachers	\$ 10,214	\$ -	\$ 1,080	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased Professional Educational Services	-	-	-	-	-	-	17,736	-	-	-
Tuition	-	-	-	-	-	279,893	-	-	-	-
General Supplies	76,992	-	14,538	4,294	-	-	-	-	-	-
Total Instruction	87,206	-	15,618	4,294	-	279,893	17,736	-	-	-
Support Services:										
Personal Services - Employee Benefits	4,426	23,634	-	-	-	-	-	-	-	-
Purchased Professional and Technical Services	-	-	2,071	8,530	10,000	-	-	67,514	-	-
Other Purchased Services	-	-	-	-	-	-	-	-	-	5,757
Total Support Services	4,426	23,634	2,071	8,530	10,000	-	-	67,514	-	5,757
Total Expenditures	91,632	23,634	17,689	12,824	10,000	279,893	17,736	67,514	5,757	5,757
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-	-	-	-
Fund Balance, June 30	-	-	-	-	-	-	-	-	-	-

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	ESSER II	ESSER III	ESSER ARP Homeless	Student Activities	Verizon Grant	PTO Donations	NJ Safety Grant	Emergent Need	Total
Revenues:									
State Sources	- \$	- \$	- \$	- \$	- \$	- \$	- \$	36,182 \$	36,182
Federal Sources	164,671	526,537	7,185	-	-	-	-	-	1,235,956
Local Sources	-	-	-	126,116	534	16,678	17,864	-	161,192
Total Revenues	164,671 \$	526,537 \$	7,185 \$	126,116 \$	534 \$	16,678 \$	17,864 \$	36,182 \$	1,433,330
Expenditures:									
Instruction:									
Salaries of Teachers	- \$	140,158 \$	- \$	- \$	- \$	- \$	- \$	- \$	151,452
Purchased Professional Educational Services	-	-	-	-	-	-	-	-	17,756
Other Purchased Services	-	-	7,185	-	-	-	-	-	7,185
General Supplies	42,950	294,429	-	-	534	16,678	-	-	450,415
Tuition	-	-	-	-	-	-	-	-	279,893
Total Instruction	42,950	434,587	7,185	-	534	16,678	-	-	906,681
Support Services:									
Other Salaries	24,221	-	-	-	-	-	-	-	24,221
Personal Services - Employee Benefits	-	90,150	-	-	-	-	-	-	118,210
Purchased Professional & Technical Services	-	-	-	-	-	-	17,864	36,182	153,045
Other Purchased Services	-	-	-	-	-	-	-	-	5,757
Other Objects	-	1,800	-	-	-	-	-	-	1,800
Student Activities	-	-	-	80,207	-	-	-	-	80,207
Total Support Services	24,221	91,950	-	80,207	-	-	17,864	36,182	383,240
Facilities Acquisitions & Construction Services:									
Instructional Equipment	97,500	-	-	-	-	-	-	-	97,500
Total Facilities Acquisitions & Construction Services	97,500	-	-	-	-	-	-	-	97,500
Total Expenditures	164,671	526,537	7,185	80,207	534	16,678	17,864	36,182	1,387,421
Excess (Deficiency) of Revenues Over(Under) Expenditures	-	-	-	45,909	-	-	-	-	45,909
Fund Balance, July 1	-	-	-	39,369	-	-	-	-	39,369
Fund Balance, June 30	- \$	- \$	- \$	85,278 \$	- \$	- \$	- \$	- \$	85,278

F. Capital Projects Fund

Not Applicable

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G. Proprietary Funds

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Enterprise Funds

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SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
ENTERPRISE FUND
SCHEDULE OF NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

ASSETS	Business-type Activities				TOTAL
	Food Service Fund	Drama Club	Pay-to Play	Summer Camp	
Current Assets:					
Cash & Cash Equivalents	\$ 253,657	\$ 16,512	\$ 220	\$ 20,114	\$ 290,503
Accounts Receivable:					
State	1,414	-	-	-	1,414
Federal	84,954	-	-	-	84,954
Other	2,333	-	140	-	2,473
Interfunds Receivable	291,866	-	-	-	291,866
Inventories	17,389	-	-	-	17,389
Total Current Assets	651,613	16,512	360	20,114	688,599
Capital Assets:					
Equipment	522,319	-	-	-	522,319
Accumulated Depreciation	(440,923)	-	-	-	(440,923)
Total Capital Assets	81,396	-	-	-	81,396
Total Assets	733,009	16,512	360	20,114	769,995
LIABILITIES					
Unearned Revenue	20,077	-	-	-	20,077
Interfund Payable	-	7,500	1,300	-	8,800
Total Liabilities	20,077	7,500	1,300	-	28,877
NET POSITION					
Net Investment in Capital Assets	81,396	-	-	-	81,396
Unrestricted	631,536	9,012	(940)	20,114	659,722
Total Net Position	\$ 712,932	\$ 9,012	\$ (940)	\$ 20,114	\$ 741,118

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Business-type Activities				TOTAL
	Food Service Fund	Drama Club	Pay-to Play	Summer Camp	
Operating Revenues:					
Local Sources:					
Daily Sales - Nonreimbursable Programs	\$ 4,508	\$ -	\$ -	\$ -	\$ 4,508
Special Functions/Program Fees	1,032	11,180	11,774	4,050	28,036
Total Operating Revenue	5,540	11,180	11,774	4,050	32,544
Operating Expenses:					
Salaries	331,418	5,500	12,606	1,824	351,348
Purchased Professional Services	57,508	-	-	-	57,508
Supplies & Materials	64,809	5,242	45	180	70,276
Miscellaneous	24,781	-	-	-	24,781
Depreciation Expense	16,277	-	-	-	16,277
Cost of Sales - Reimbursable	434,712	-	-	-	434,712
Total Operating Expenses	929,505	10,742	12,651	2,004	954,902
Operating Income/(Loss)	(923,965)	438	(877)	2,046	(922,358)
Nonoperating Revenues:					
Transfer from General Fund	-	-	24,311	-	24,311
State Sources:					
State School Lunch Program	18,933	-	-	-	18,933
Federal Sources:					
National School Lunch Program	805,835	-	-	-	805,835
National School Breakfast Program	345,345	-	-	-	345,345
Emergency Operating Costs	13,826	-	-	-	13,826
Pandemic EBT Admin Cost Reimbursement	1,242	-	-	-	1,242
Food Distribution Program	69,212	-	-	-	69,212
Total Nonoperating Revenues	1,254,393	-	24,311	-	1,278,704
Net Income/(Loss)	330,428	438	23,434	2,046	356,346
Net Position/(Deficit) - July 1	382,504	8,574	(24,374)	18,068	384,772
Net Position/(Deficit) - June 30	\$ 712,932	\$ 9,012	\$ (940)	\$ 20,114	\$ 741,118

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
 PROPRIETARY FUNDS
 SCHEDULE OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Business-type Activities				TOTAL
	Food Service Fund	Drama Club	Pay-to Play	Summer Camp	
Cash Flows From Operating Activities					
Receipts from Customers	\$ 553	\$ 11,180	\$ 11,634	\$ 4,050	\$ 27,417
Payments to Employees	(331,418)	-	(11,306)	(1,824)	(344,548)
Payments to Suppliers	(697,554)	(5,242)	(45)	(180)	(703,021)
Net Cash Provided/(Used) by Operating Activities:	(1,028,419)	5,938	283	2,046	(1,020,152)
Cash Flows From Noncapital Financing Activities					
State Sources	19,113	-	-	-	19,113
Federal Sources	1,103,676	-	-	-	1,103,676
Interfund Transfer General Fund	-	-	24,311	-	24,311
Net Cash Provided/(Used) by Noncapital Financing Activities:	1,122,789	-	24,311	-	1,147,100
Cash Flows From Capital & Related Financing Activities:					
Equipment Purchases	(6,900)	-	-	-	(6,900)
Net Cash Provided/(Used) by Investing Activities	(6,900)	-	-	-	(6,900)
Net Increase/(Decrease) in Cash & Cash Equivalents	87,470	5,938	24,594	2,046	120,048
Balances - Beginning of Year	166,187	10,574	(24,374)	18,068	170,455
Balances - End of Year	\$ 253,657	\$ 16,512	\$ 220	\$ 20,114	\$ 290,503
Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:					
Operating Income/(Loss)	\$ (923,965)	\$ 438	\$ (877)	\$ 2,046	(922,358)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities					
Food Distribution Program	69,212	-	-	-	69,212
Depreciation & Net Amortization	16,277	-	-	-	16,277
(Increase)/Decrease in Interfund Receivable	(176,448)	-	-	-	(176,448)
(Increase)/Decrease in Accounts Receivable	-	-	(140)	-	(140)
(Increase)/Decrease in Inventories	(8,508)	-	-	-	(8,508)
Increase/(Decrease) in Unearned Revenue	(4,987)	-	-	-	(4,987)
Increase/(Decrease) in Interfund Payable	-	5,500	1,300	-	6,800
Total Adjustments	(104,454)	5,500	1,160	-	(97,794)
Net Cash Provided/(Used) by Operating Activities:	\$ (1,028,419)	\$ 5,938	\$ 283	\$ 2,046	\$ (1,020,152)

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Internal Service Fund

Not Applicable

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H. Fiduciary Fund

Not applicable

I. Long-Term Debt

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
GENERAL LONG-TERM DEBT ACCOUNT GROUP
SCHEDULE OF SERIAL BONDS
JUNE 30, 2022**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES		INTEREST RATE	BALANCE	ISSUED	RETIRED	BALANCE
			DATE	AMOUNT		JULY 1, 2021			JUNE 30, 2022
Refunding Bonds of 2013	5/2/13	9,105,000	1/15/23	565,000	3.000%	\$	-	\$	6,925,000
			1/15/24	625,000	3.000%				
			1/15/25	680,000	3.000%				
			1/15/26	745,000	2.375%				
			1/15/27	805,000	2.500%				
			1/15/28	875,000	3.000%				
			1/15/29	890,000	3.000%				
			1/15/30	875,000	3.000%				
			1/15/31	865,000	3.000%				
Refunding Bonds of 2015	04/22/15	17,920,000	2/15/2023	1,170,000	3.000%		-	1,115,000	11,940,000
			2/15/2024	1,210,000	2.250%				
			2/15/2025	1,235,000	3.000%				
			2/15/2026	1,275,000	3.000%				
			2/15/2027	1,320,000	3.000%				
			2/15/2028	1,360,000	3.000%				
			2/15/2029	1,410,000	3.000%				
			2/15/2030	1,450,000	4.000%				
			2/15/2031	1,510,000	4.000%				
Refunding Bonds of 2021	3/3/21	5,625,000	2/15/2023	820,000	4.000%		-	840,000	4,785,000
			2/15/2024	815,000	4.000%	5,625,000			
			2/15/2025	805,000	4.000%				
			2/15/2026	795,000	4.000%				
			2/15/2027	785,000	4.000%				
			2/15/2028	765,000	4.000%				
Total									
						\$	\$	\$	\$
						26,115,000	-	2,465,000	23,650,000

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF FINANCED PURCHASES
JUNE 30, 2022**

DESCRIPTION	AMOUNT OF ORIGINAL PRINCIPAL	INTEREST	INTEREST RATE	AMOUNT OUTSTANDING JUNE 30, 2021	ISSUED CURRENT YEAR	RETIRED CURRENT YEAR	AMOUNT OUTSTANDING JUNE 30, 2022
Copiers	\$ 301,287	\$ 33,721	3.990%	\$ 11,095	\$ -	\$ 11,095	\$ -
250 Chromebooks	93,494	4,261	2.267%	24,164	-	24,164	-
250 Chromebooks	96,200	5,936	3.700%	48,319	-	23,712	24,607
Total				\$ 83,578	\$ -	\$ 58,971	\$ 24,607

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2022**

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:					
Local Sources:					
Local Tax Levy	\$ 2,857,561	\$ -	\$ 2,857,561	\$ 2,857,561	\$ -
State Sources:					
Debt Service Aid Type II	470,033	-	470,033	470,033	-
Total Revenues	3,327,594	-	3,327,594	3,327,594	-
Expenditures:					
Regular Debt Service:					
Interest	862,594	-	862,594	862,594	-
Redemption of Principal	2,465,000	-	2,465,000	2,465,000	-
Total Expenditures	3,327,594	-	3,327,594	3,327,594	-
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	-	-	-	-	-
Fund Balances July 1	4,691	-	4,691	4,691	-
Fund Balances June 30	\$ 4,691	\$ -	\$ 4,691	\$ 4,691	\$ -

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STATISTICAL SECTION (Unaudited)

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SWEDESBORO-WOOLWICH CONSOLIDATED 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	\$ 12,533,572	\$ 10,606,206	\$ 8,187,926	\$ 6,449,977	\$ 4,931,912	\$ 3,734,685	\$ 2,180,877	\$ 1,207,384	\$ (4,679,880)	\$ (5,242,056)
Restricted	4,882,623	4,574,805	3,977,392	4,443,334	4,018,483	3,824,305	4,239,889	4,167,437	4,223,547	4,265,673
Unrestricted	(4,915,356)	(5,515,510)	(6,020,187)	(5,859,035)	(5,709,468)	(4,910,035)	(4,053,115)	(4,015,981)	(236,780)	(355,847)
Total Governmental Activities Net Position	\$ 12,500,839	\$ 9,665,501	\$ 6,145,131	\$ 5,034,276	\$ 3,240,927	\$ 2,648,955	\$ 2,367,651	\$ 1,358,840	\$ (693,113)	\$ (1,332,230)
Business-Type Activities:										
Net Investment in										
Capital Assets	\$ 81,396	\$ 90,773	\$ 106,958	\$ 93,653	\$ 115,045	\$ 166,657	\$ 178,890	\$ 207,029	\$ 180,004	\$ 140,058
Unrestricted	659,722	293,999	271,277	331,984	295,736	262,612	232,051	295,619	241,921	220,170
Total Business-Type Activities Net Position	\$ 741,118	\$ 384,772	\$ 378,235	\$ 425,637	\$ 410,781	\$ 429,269	\$ 410,941	\$ 502,648	\$ 421,925	\$ 360,228
District-Wide:										
Net Investment in										
Capital Assets	\$ 12,614,968	\$ 10,696,979	\$ 8,294,884	\$ 6,543,630	\$ 5,046,957	\$ 3,901,342	\$ 2,359,767	\$ 1,414,413	\$ (4,499,876)	\$ (5,101,998)
Restricted	4,882,623	4,574,805	3,977,392	4,443,334	4,018,483	3,824,305	4,239,889	4,167,437	4,223,547	4,265,673
Unrestricted	(4,255,634)	(5,221,511)	(5,748,910)	(5,527,051)	(5,413,732)	(4,647,423)	(3,821,064)	(3,720,362)	5,141	(135,677)
Total District Net Position	\$ 13,241,957	\$ 10,050,273	\$ 6,523,366	\$ 5,459,913	\$ 3,651,708	\$ 3,078,224	\$ 2,778,592	\$ 1,861,488	\$ (271,188)	\$ (972,002)

**SWEDESBORO-WOOLWICH CONSOLIDATED 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	6,921,292	6,406,383	6,837,914	6,257,657	6,245,255	6,331,564	6,441,003	6,082,739	8,794,027	9,391,723
Special Education	4,252,279	4,200,875	3,879,271	3,582,033	3,394,357	3,102,061	3,100,061	3,114,214	3,135,830	3,553,357
Other Special Instruction	686,962	584,468	460,648	423,450	370,974	371,209	329,415	298,067	468,794	1,494,101
Other Instruction	62,351	59,813	217,030	207,054	162,307	101,815	75,616	67,245		
Support Services & Undistributed Costs:										
Tuition, Student and instruction related	3,298,731	2,802,169	2,779,544	2,733,883	2,546,117	2,539,137	2,358,652	2,418,838	3,583,951	2,890,237
General Administration	802,878	656,350	632,939	659,595	694,163	606,641	635,017	613,366	1,162,711	589,492
School Administrative Services	1,124,176	1,118,966	1,115,072	988,157	997,942	812,391	785,907	714,690	676,387	735,173
Central Services	223,006	231,704	234,685	227,559	229,531	206,739	205,775	232,050	206,895	258,735
Administrative information technology	475,423	458,208	432,663	445,629	438,891	441,795	443,897	378,528	281,624	292,456
Plant Operations & Maintenance	2,575,659	2,092,237	2,037,758	1,989,558	1,793,405	1,866,348	1,854,248	1,963,095	2,195,486	2,059,852
Pupil Transportation	1,621,781	1,525,978	1,495,286	1,582,609	1,523,231	1,576,049	1,622,666	1,622,666	1,496,836	1,341,755
Unallocated Benefits	10,871,611	17,335,481	10,479,360	11,090,220	10,398,441	8,772,800	7,384,989	6,797,171	2,029,225	
Long-Term Debt and Other Charges	797,124	1,142,879	1,053,032	1,142,425	1,219,754	1,297,274	1,374,812	1,357,193	1,592,650	1,660,505
Capital Outlay	-	-	87,129	105,074	192,337	171,931	205,587	120,297	262,580	
Transfer to Charter Schools	-	10,621	-	-	-	-	8,817	8,599	-	-
Adjustment to Capital Assets	881,437	839,491	847,837	840,549	839,013	855,336	815,760	827,661	142,709	112,937
Unallocated Depreciation	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities	34,594,710	39,465,623	32,590,168	32,275,452	31,045,718	29,053,090	27,598,493	26,616,419	26,029,705	24,380,323
Business-Type Activities:										
Food Service	929,505	306,323	491,304	578,962	593,148	583,407	603,028	566,915	560,403	552,173
Other Enterprise Funds	25,397	135	27,139	40,605	44,952	53,973	66,049	307,349	279,035	320,962
Total Business-Type Activities	954,902	306,458	518,443	619,567	638,100	637,380	669,077	874,264	839,438	873,135
Total District Expenses	\$ 35,549,612	\$ 39,772,081	\$ 33,108,611	\$ 32,895,019	\$ 31,683,818	\$ 29,690,470	\$ 28,267,570	\$ 27,490,683	\$ 26,869,143	\$ 25,253,458
Program Revenues:										
Governmental Activities:										
Charges for Services:	\$ 126,116	34115								
Operating Grants & Contributions	7,732,945	9,520,852	498,108	498,336	494,746	454,714	478,797	448,009	2,045,001	2,187,418
Total Governmental Activities	7,859,061	9,554,967	498,108	498,336	494,746	454,714	478,797	448,009	2,045,001	2,187,418

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Business-Type Activities:										
Charges for Services:										
Food Service	32,544	4,187	267,726	393,532	403,896	410,017	408,809	399,751	368,087	369,352
Other Enterprise Funds			20,159	34,144	41,108	51,139	63,638	326,102	354,020	297,136
Operating Grants & Contributions	1,254,393	308,808	189,058	208,310	204,114	196,252	207,254	180,710	178,860	170,101
Total Business-Type Activities	1,286,937	312,995	476,943	635,986	649,118	657,408	679,701	906,563	900,967	836,589
Program Revenues	9,145,998	9,867,962	10,031,910	1,134,094	1,147,454	1,152,154	1,134,415	1,385,360	1,348,976	2,881,590
Total District Program Revenues	\$ 9,145,998	\$ 9,867,962	\$ 10,031,910	\$ 1,134,094	\$ 1,147,454	\$ 1,152,154	\$ 1,134,415	\$ 1,385,360	\$ 1,348,976	\$ 2,881,590
Net (Expense)/Revenue:										
Governmental Activities	\$ 26,735,649	\$ 29,910,656	\$ 29,910,656	\$ 32,092,060	\$ 31,777,116	\$ 30,550,972	\$ 28,598,376	\$ 27,119,696	\$ 26,168,410	\$ 23,984,704
Business-Type Activities	(332,035)	(6,537)	(170,485)	(117,543)	(29,551)	(19,308)	(42,321)	(237,486)	(26,703)	2,849
Total District-Wide Net Expense	\$ 26,403,614	\$ 29,904,119	\$ 29,740,171	\$ 31,974,517	\$ 31,747,565	\$ 30,531,664	\$ 28,556,055	\$ 26,882,210	\$ 26,141,707	\$ 23,987,553
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes, Levied for General Purposes, Net	\$ 16,446,491	\$ 16,349,434	\$ 16,349,434	\$ 16,028,857	\$ 15,647,409	\$ 15,340,597	\$ 15,039,801	\$ 14,646,864	\$ 13,920,834	\$ 13,306,662
Taxes Levied for Debt Service	2,857,561	2,954,618	2,034,701	2,806,649	2,821,060	3,096,102	2,761,433	2,828,133	2,889,554	2,884,871
Unrestricted Federal & State Aid	9,390,783	12,915,918	14,162,029	14,162,029	10,992,542	10,834,767	9,472,595	9,472,595	7,584,115	7,594,320
Tuition received	135,405	126,143	221,552	245,069	153,428	178,598	210,694	66,974		
Transportation	-	-	-	27,596	-	-	-	-	-	-
Miscellaneous Income	270,714	228,377	238,890	311,973	80,261	84,161	211,443	154,137	229,639	133,277
Fixed Asset disposal and adjustments	-	(4,357)	(13,558)	(11,708)	(1,891)	(3,138)	(28,780)		(323)	(124,156)
Compensated Absences	-	-	-	-	-	(4,731)		(182,025)		(12,913)
Cancellation of Accounts Receivable	-	41,024	-	-	-	-	-	-	-	-
Costs of issuance/refunding bonds	-	-	-	-	-	-	-	-	-	-
Other Restricted Miscellaneous	-	22,178	-	-	-	-	-	-	-	-
Debt Refinanced	-	-	-	-	-	-	99,149	-	-	(790,000)
Transfers	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities	29,100,954	32,633,335	33,211,495	33,570,465	29,692,809	28,879,680	28,128,507	26,986,678	24,623,819	22,991,205
Business-Type Activities:										
Adjustment to Capital Assets	-	-	(5,902)	(1,563)		(1,700)	(452)	55,404		(149)
Transfers							(99,149)	(7,386)		
Other							120	407		
Investment Earnings	24,311	-	-	-	-	-	120	407	169	547
Total Business-Type Activities	24,311	-	(5,902)	(1,563)	-	(1,700)	(102,331)	48,425	169	398
Total District-Wide	\$ 29,125,265	\$ 32,633,335	\$ 33,205,593	\$ 33,568,902	\$ 29,692,809	\$ 28,877,980	\$ 28,026,176	\$ 27,035,103	\$ 24,623,988	\$ 22,991,603
Change in Net Position:										
Governmental Activities	\$ 2,365,305	\$ 2,722,679	\$ 3,300,839	\$ 1,478,405	\$ (2,084,307)	\$ (1,671,292)	\$ (469,869)	\$ (133,018)	\$ (1,544,591)	\$ (993,499)
Business-Type Activities	356,346	6,537	164,583	115,980	29,551	17,608	(60,010)	285,911	26,872	(2,451)
Total District	\$ 2,721,651	\$ 2,729,216	\$ 3,465,422	\$ 1,594,385	\$ (2,054,756)	\$ (1,653,684)	\$ (529,879)	\$ 152,893	\$ (1,517,719)	\$ (995,950)

SWEDSBORO-WOOLWICH CONSOLIDATED 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	\$ 4,682,815	\$ 4,090,358	\$ 3,922,012	\$ 3,631,058	\$ 3,195,889	\$ 2,974,745	\$ 2,913,475	\$ 2,790,692	\$ 3,388,825	\$ 3,257,674
Assigned	109,839	440,387	219,172	264,543	118,550	110,850	708,440	619,479	579,138	374,725
Unassigned	225,230	300,487	(188,581)	(168,093)	(163,827)	(146,167)	(178,326)	(204,031)	(139,930)	(96,683)
Total General Fund	\$ 5,017,884	\$ 4,831,232	\$ 3,952,603	\$ 3,727,508	\$ 3,150,612	\$ 2,939,428	\$ 3,443,589	\$ 3,206,140	\$ 3,828,033	\$ 3,535,716
All Other Governmental Funds:										
Assigned										
Capital Projects Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,834
Restricted:										
Special Revenue Fund	85,278	39,369	-	-	-	-	-	-	-	-
Capital Projects Fund	-	-	-	-	-	764,423	764,423	764,423	771,734	984,620
Debt Service Fund	4,691	4,691	-	768,681	773,363	75,003	72,490	58,611	62,987	6,544
Total All Other Governmental Funds	\$ 89,969	\$ 44,060	\$ -	\$ 768,681	\$ 773,363	\$ 839,426	\$ 836,913	\$ 823,034	\$ 834,721	\$ 1,007,998

**SWEDSBORO-WOOLWICH CONSOLIDATED 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:										
Tax Levy	\$ 19,304,052	\$ 19,304,052	\$ 18,384,135	\$ 18,835,506	\$ 18,468,469	\$ 18,436,699	\$ 17,801,234	\$ 17,474,997	\$ 16,810,388	\$ 16,191,533
Miscellaneous	577,846	430,416	508,323	631,511	273,209	267,344	432,176	236,727	229,640	133,277
State Sources	15,854,120	13,761,946	12,609,122	11,830,194	10,969,006	10,162,140	9,819,582	9,472,595	8,580,774	9,406,098
Federal Sources	1,343,330	760,211	470,875	461,949	478,685	476,080	483,943	432,393	1,048,342	375,640
Total Revenue	37,079,348	34,256,625	31,972,455	31,759,160	30,189,369	29,342,263	28,536,935	27,616,712	26,669,144	26,106,548
Expenditures:										
Current Expense:										
Instruction	11,922,884	11,320,212	11,472,413	10,549,804	10,210,064	9,977,482	9,924,792	9,643,841	8,732,960	8,726,150
Undistributed Expenditures	21,255,035	18,374,296	17,382,202	17,041,058	16,184,368	15,908,768	14,941,832	14,787,538	14,014,421	12,595,773
Capital Outlay	229,834	491,281	263,346	300,609	350,512	456,074	428,266	382,297	316,849	184,521
Special Schools	-	10,621	-	-	-	-	8,817	8,599	-	-
Debt Service	3,414,723	3,503,904	3,389,500	3,391,675	3,392,875	3,599,025	3,382,336	3,453,875	3,485,873	3,594,878
Total Expenditures	36,822,476	33,700,314	32,507,461	31,283,146	30,137,819	29,941,349	28,686,043	28,276,150	26,550,103	25,101,322
Excess (Deficiency) of Revenues Over/(Under) Expenditures	256,872	556,311	(535,006)	476,014	51,550	(599,086)	(149,108)	(659,438)	119,041	1,005,226
Other Financing Sources/(Uses):										
Transfers in	-	-	-	-	768,604	4,682	103,130	2,168	1,217	6,700
Transfers out	(24,311)	-	-	-	(768,604)	(4,682)	(3,981)	(2,168)	(1,217)	(6,700)
Cancellation of Payables/Receivables	-	41,024	(8,580)	-	77	(4,731)	-	-	-	-
Lease Purchase Proceeds	-	-	-	96,200	93,494	102,169	301,287	25,857	-	-
Funds from Refunding Issue	-	6,352,632	-	-	-	-	-	-	-	-
Total Other Financing Sources/ (Uses)	(24,311)	6,393,656	(8,580)	96,200	93,571	97,438	400,436	25,857	-	-
Net Change in Fund Balances	\$ 232,561	\$ 6,949,967	\$ (543,586)	\$ 572,214	\$ 145,121	\$ (501,648)	\$ 251,328	\$ (633,581)	\$ 119,041	\$ 1,005,226
Debt Service as a Percentage of Noncapital Expenditures	9.33%	10.55%	10.51%	10.95%	11.39%	12.21%	11.97%	12.38%	13.29%	14.43%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

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

FISCAL YEAR ENDED JUNE 30,	TUITION	SALE OF ASSETS	INTEREST ON INVESTMENTS	INSURANCE REFUNDS	PRIOR YEAR REFUNDS	MISCELLANEOUS	RENTALS	COLUMBIA GAS EASEMENT	CONTRIBUTIONS	TOTAL
2022	\$ -	\$ -	\$ 1,985	\$ 184,779	\$ 13,817	\$ 78,706	\$ 10,738	\$ -	\$ 5,000	\$ 295,025
2021	-	-	1,241	-	24,015	191,368	7,062	-	-	223,686
2020	-	-	-	-	11,411	176,901	4,614	-	-	192,926
2019	-	-	-	-	170,757	79,946	7,721	-	-	258,424
2018	-	-	-	-	11,613	47,830	6,579	-	-	66,022
2017	-	-	-	-	193	38,436	6,900	-	20,000	65,529
2016	-	-	-	-	26,856	60,149	6,400	100,870	-	194,275
2015	-	1,950	-	-	29,713	3,074	3,200	100,870	3,200	142,007
2014	71,147	-	9,581	-	-	148,897	-	-	-	229,625
2013	-	-	15,782	-	-	117,495	-	-	-	133,277

**SWEDESORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

BOROUGH OF SWEDESORO

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
2022	1,231,300	136,484,900	-	11,700	29,568,700	3,203,800	2,330,700	172,831,100	-	172,831,100	1.324	197,517,954
2021	1,195,200	135,437,800	-	11,800	29,918,300	3,273,800	2,330,700	172,167,600	-	172,167,600	1.318	182,316,358
2020	1,251,300	136,121,800	-	14,400	30,095,400	3,273,800	2,330,700	173,087,400	-	173,087,400	1.356	177,645,685
2019	1,121,900	136,004,700	-	14,400	30,111,400	3,273,800	2,330,700	172,856,900	-	172,856,900	1.417	177,824,185
2018	1,200,000	135,946,700	-	25,300	29,555,400	3,273,800	2,330,700	172,331,900	-	172,331,900	1.408	176,570,879
2017	1,225,500	136,021,000	-	25,300	29,592,200	3,273,800	2,330,700	172,468,500	-	172,468,500	1.384	178,468,138
2016	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	1.354	176,331,228
2015	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	1.324	181,333,040
2014	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	1.279	192,277,907
2013	2,146,800	148,633,300	-	24,700	35,797,600	1,695,500	1,122,400	189,420,300	2,354,496	191,774,796	1.197	197,364,832

TOWNSHIP OF WOOLWICH

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	1.243	1,481,572,906
2021	17,696,100	1,137,261,000	19,438,700	3,711,300	69,097,900	50,195,510	50,161,000	1,347,561,510	-	1,347,561,510	1.271	1,350,178,099
2020	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	1.364	1,342,106,327
2019	19,193,400	981,055,700	18,242,300	4,203,200	53,839,700	41,306,910	32,501,500	1,150,342,710	-	1,150,342,710	1.423	1,276,383,568
2018	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	1.415	1,234,884,068
2017	13,795,200	956,623,700	19,670,300	4,242,400	51,386,700	42,884,800	32,501,500	1,121,104,600	1,810,647	1,122,915,247	1.423	1,193,338,953
2016	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	1.408	1,163,595,438
2015	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	1.390	1,110,614,108
2014	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	1.325	1,099,949,222
2013	15,110,900	543,765,600	14,130,200	4,968,700	25,146,400	21,639,600	7,701,100	632,462,500	1,369,350	633,831,850	2.187	1,150,834,822

Source: Gloucester County Abstract of Rates

**SWEDESORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES**

LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)

BOROUGH OF SWEDESORO

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES			TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	REGIONAL SCHOOL	TOTAL DIRECT	MUNICIPAL	COUNTY		
2022	1.324	0.984	2.308	1.090	0.811		4.209
2021	1.318	0.890	2.208	1.067	0.785		4.060
2020	1.318	0.848	2.166	1.034	0.750		3.950
2019	1.356	0.865	2.221	0.995	0.750		3.966
2018	1.417	0.888	2.305	0.971	0.738		4.014
2017	1.408	0.950	2.358	0.919	0.748		4.025
2016	1.384	0.905	2.289	0.918	0.709		3.916
2015	1.354	0.867	2.221	0.833	0.642		3.696
2014	1.324	0.870	2.194	0.802	0.655		3.651
2013	1.279	0.785	2.064	0.775	0.610		3.449

TOWNSHIP OF WOOLWICH

2022	1.243	0.861	2.104	0.581	0.751		3.436
2021	1.271	0.855	2.126	0.561	0.744		3.431
2020	1.271	0.951	2.222	0.605	0.836		3.663
2019	1.364	0.932	2.296	0.576	0.810		3.682
2018	1.423	0.911	2.334	0.557	0.785		3.676
2017	1.415	0.883	2.298	0.558	0.768		3.624
2016	1.423	0.848	2.271	0.548	0.745		3.564
2015	1.408	0.798	2.206	0.506	0.678		3.390
2014	1.390	0.767	2.157	0.486	0.662		3.305
2013	1.325	1.207	2.532	0.735	1.076		4.343

Source: Gloucester County Board of Taxation - Abstract of Ratables

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

BOROUGH OF SWEDESBORO

TAXPAYER	2021		% OF TOTAL DISTRICT NET ASSESSED VALUE
	TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	
Swedesboro Development LLC	\$ 3,789,200		2.19%
D & D Properties of Swedesboro Inc Taxpayers #1	1,626,700		0.94%
Botto Sons LLC	1,590,000		0.92%
Swedesboro Housing LTD Partnership	1,300,000		0.75%
D&D Properties of Swedesbro Inc	1,275,000		0.74%
Racoon Creek LLC	1,196,800		0.69%
Urbanization Properties LLC	950,000		0.55%
R&R Real Estate LLC	761,100		0.44%
East Ocean Kingdom LLC	731,000		0.42%
	700,000		0.41%
Total	\$ 13,919,800		8.05%

TAXPAYER	2012		% OF TOTAL DISTRICT NET ASSESSED VALUE
	TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	
D & D Properties of Swedesboro	\$ 2,988,500		1.56%
NJ Bell Telephone Company	2,354,496		1.23%
Botto Sons, LLC	1,948,700		1.02%
Taxpayers #1	1,895,300		0.99%
Swedesboro Housing LTD Partnership	1,693,800		0.88%
Racoon 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%
Taxpayers #2	974,300		0.51%
Total	\$ 17,303,296		9.02%

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

TOWNSHIP OF WOOLWICH

TAXPAYER	2021		
	TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	% OF TOTAL DISTRICT NET ASSESSED VALUE
Pond View @ Westbrook LLC	\$ 28,899,000		2.03%
Westbrook at Weatherby LLC	21,262,000		1.50%
Liberty Venture I LP	10,334,610		0.73%
USF Propco II LLC	8,411,000		0.59%
Liberty Property LTD Partnership	8,123,800		0.57%
Columbia Gas	7,766,600		0.55%
Liberty Venture LP C/O Prologis LP	7,698,100		0.54%
52 Locke LLC	6,315,000		0.44%
Raab Family Partnershisp LP	5,700,000		0.40%
DPIF3 NJ 5 2062 Woolwich LLC	4,136,800		0.29%
Total	\$ 108,646,910		7.65%

TAXPAYER	2012		
	TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	% OF TOTAL DISTRICT NET ASSESSED VALUE
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 PropcoLLC	3,740,300		0.59%
JMJ Warehouse Assoc.	3,549,400		0.56%
Pond View @ Westbrook, LLC	3,429,100		0.54%
Liberty Property LTD Partnership	3,174,700		0.50%
Auburn Road Associates, LLC	2,063,800		0.33%
Beazer Homes Corp	2,022,800		0.32%
Hovnanian @ Woolwich, LLC	1,805,500		0.28%
Total	\$ 38,609,300		6.09%

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

CONSOLIDATED

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY	
		AMOUNT	PERCENTAGE OF LEVY
2022	\$ 19,304,052	\$ 19,304,052	100.00%
2021	19,304,052	19,304,052	100.00%
2020	18,384,135	18,384,135	100.00%
2019	18,835,506	18,835,506	100.00%
2018	18,468,469	18,468,469	100.00%
2017	17,913,313	17,913,313	100.00%
2016	17,413,403	17,413,403	100.00%
2015	16,660,377	16,660,377	100.00%
2014	10,736,076	10,736,076	100.00%
2013	15,001,669	15,001,669	100.00%

BOROUGH OF SWEDESBORO

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY	
		AMOUNT	PERCENTAGE OF LEVY
2022	\$ 2,183,391	\$ 2,183,391	100.00%
2021	2,183,391	2,183,391	100.00%
2020	2,358,324	2,358,324	100.00%
2019	2,460,587	2,460,587	100.00%
2018	2,437,490	2,437,490	100.00%
2017	2,454,678	2,454,678	100.00%
2016	2,342,599	2,342,599	100.00%
2015	2,404,193	2,404,193	100.00%
2014	2,554,204	2,554,204	100.00%
2013	1,634,313	1,634,313	100.00%

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

TOWNSHIP OF WOOLWICH

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY	
		AMOUNT	PERCENTAGE OF LEVY
2022	\$ 17,120,661	\$ 17,120,661	100.00%
2021	17,120,661	17,120,661	100.00%
2020	16,025,811	16,025,811	100.00%
2019	16,374,919	16,374,919	100.00%
2018	16,030,979	16,030,979	100.00%
2017	15,458,635	15,458,635	100.00%
2016	15,070,804	15,070,804	100.00%
2015	14,256,184	14,256,184	100.00%
2014	8,181,872	8,181,872	100.00%
2013	13,367,356	13,367,356	100.00%

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

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES		TOTAL DISTRICT	PER CAPITA
	GENERAL OBLIGATION BONDS	LOANS PAYABLE		
2022	\$ 23,650,000	\$ 24,607	\$ 23,674,607	N/A
2021	26,115,000	83,578	26,198,578	1,644
2020	29,185,000	220,592	29,405,592	1,857
2019	31,530,000	377,007	31,907,007	2,053
2018	33,790,000	368,533	34,158,533	2,221
2017	35,980,000	358,589	36,338,589	2,422
2016	38,295,000	309,897	38,604,897	2,594
2015	40,445,000	16,740	40,461,740	2,721
2014	41,465,000	14,515	41,479,515	2,818
2013	43,400,000	68,785	43,468,785	3,064

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

**SWEDESBORO-WOOLWICH CONSOLIDATED 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	23,650,000	-	23,650,000	1.48%	N/A
2021	26,115,000	-	26,115,000	1.72%	1,639
2020	29,185,000	-	29,185,000	2.16%	1,843
2019	31,530,000	-	31,530,000	2.38%	2,029
2018	33,790,000	-	33,790,000	2.59%	2,197
2017	35,980,000	-	35,980,000	2.78%	2,398
2016	38,295,000	-	38,295,000	3.01%	2,573
2015	40,445,000	-	40,445,000	3.18%	2,720
2014	41,465,000	-	41,465,000	3.28%	2,817
2013	43,400,000	-	43,400,000	5.26%	3,060

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

**RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2022**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Kingsway Regional High School			
Swedesboro	\$27,830,000	5.7880%	\$ 1,610,813
Woolwich	\$27,830,000	42.7677%	11,902,254
Municipality			
Swedesboro	2,700,000	100.0000%	2,700,000
Woolwich	46,228,905	100.0000%	46,228,905
Gloucester County			
Swedesboro	163,432,000	0.6332%	1,034,870
Woolwich	163,432,000	5.2035%	8,504,151
Subtotal, Overlapping Debt			58,467,926
Swedesboro-Woolwich Consolidated School District Debt			23,650,000
Total Direct & Overlapping Debt			<u>\$ 82,117,926</u>

Sources: Assessed value data used to estimate applicable percentages provided by the Gloucester County Board of Taxation.

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Dollars in Thousands)

	FISCAL YEAR									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Debt Limit	\$ 39,695,593	\$ 38,096,507	\$ 36,908,308	\$ 35,947,074	\$ 34,693,110	\$ 33,770,036	\$ 32,787,118	\$ 32,181,062	\$ 32,267,566	\$ 32,952,997
Total Net Debt Applicable to Limit	23,650,000	26,115,000	26,115,000	29,185,000	31,530,000	33,790,000	35,980,000	38,295,000	40,445,000	41,465,000
Legal Debt Margin	\$ 16,045,593	\$ 11,981,507	\$ 78,045,643	\$ 6,762,074	\$ 3,163,110	\$ (19,964)	\$ (3,192,882)	\$ (6,113,938)	\$ (8,177,434)	\$ (8,512,003)
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit (3.0%)	59.578%	68.550%	70.756%	81.189%	90.883%	100.059%	109.738%	118.999%	125.343%	125.831%

Legal Debt Margin Calculation

Equalized Valuation Basis

	Total	Swedesboro	Woolwich
2022	\$ 1,679,090,860	197,517,954	1,481,572,906
2021	1,571,621,572	188,656,147	1,382,965,425
2020	1,512,758,723	181,072,706	1,331,686,017
	\$ 4,763,471,155	567,246,807	4,196,224,348
	\$ 1,587,823,718	\$ 189,082,269	\$ 1,398,741,449

Average Equalized Valuation of Taxable Property

Debt Limit (2.5% of Average Equalization Value)

Net Bonded School Debt

Legal Debt Margin

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

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

YEAR	POPULATION (a)	PERSONAL INCOME (b)	GLOUCESTER COUNTY PER CAPITA INCOME	UNEMPLOYMENT RATE (d)
SWEDESBORO				
2022	N/A	N/A	N/A	N/A
2021	2,744	N/A	N/A	5.9%
2020	2,577	155,614,722	60,386	7.9%
2019	2,573	146,282,769	56,853	3.4%
2018	2,584	141,205,264	54,646	4.4%
2017	2,587	136,409,923	52,729	4.6%
2016	2,592	131,642,496	50,788	5.0%
2015	2,604	129,215,688	49,622	4.8%
2014	2,600	123,255,600	47,406	5.3%
2013	2,598	119,365,110	45,945	8.3%
WOOLWICH				
2022	N/A	N/A	N/A	N/A
2021	13,192	N/A	N/A	3.8%
2020	13,257	800,537,202	60,386	5.3%
2019	12,969	737,326,557	56,853	2.1%
2018	12,793	699,086,278	54,646	2.8%
2017	12,415	654,630,535	52,729	3.1%
2016	12,293	624,336,884	50,788	3.4%
2015	12,268	608,762,696	49,622	3.8%
2014	12,117	574,418,502	47,406	4.8%
2013	11,587	532,364,715	45,945	4.6%

Source:

- (a) Population information provided by US Bureau of the Census; Population Division
 - (b) Personal income calculated using population and per capita personal income
 - (c) Per Capita Personal Income provided by the NJ Dept. of Labor and Workforce Development
 - (d) Unemployment data provided by the NJ Dept. of Labor and Workforce Development
- N/A - Information not available

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

EMPLOYER	2022		
	EMPLOYEES	RANK (OPTIONAL)	PERCENTAGE OF TOTAL EMPLOYMENT
Amazon	4,500	1	N/A
Rowan University	3,500	2	N/A
Inspira Health	2,051	3	N/A
Jefferson Health	2,015	4	N/A
Washington Township School District	1,515	5	N/A
Shop Rite	1,300	6	N/A
County of Gloucester	1,200	7	N/A
U.S. Food Services	1,014	8	N/A
Monroe Township School District	841	9	N/A
Walmart - Turnersville	800	10	N/A
	18,736		

EMPLOYER	2013		
	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
	10,989		

Source: Information provided by the Gloucester County Office of Economic Development and Employer Directly

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Instruction:										
Regular	88	86	85	89	89	91	100	101	107	108
Special Education	47	45	44	50	45	42	35	36	42	44
Other Special Education	19	23	25	29	29	32	36	36	35	35
Other Instruction	2	2	1	3	3	2	1	1	3	3
Support Services:										
Student & instruction related services	21	18	19	19	17	15	17	16	16	16
General administration	7	7	8	8	8	8	9	8	6	6
School administrative services	12	12	12	14	14	13	12	13	14	14
Other administrative services	1	1	1	1	1	1	1	1	1	1
Central services	3	3	3	3	3	3	3	3	3	3
Administrative information technology	4	4	4	4	4	4	4	3	4	4
Plant Operations & Maintenance	14	17	16	15	14	15	16	16	9	9
Other Support Services	6	6	6	6	6	6	6	6	5	5
Total	224	224	224	241	233	232	240	239	240	243

Source: District Personnel Records

**SWEDESBORO-WOOLWICH CONSOLIDATED 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) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						ELEMENTARY	MIDDLE SCHOOL	SCHOOL				
2022	1,574	\$ 33,177,919	21,079	0.0054%	135	1:11.66	1:13	1,483.7	1,491.9	-1.21%	100.55%	
2021	1,509	29,705,129	19,685	0.0057%	131	1:11.52	1:13	1,501.9	1,412.7	-5.73%	94.06%	
2020	1,603	29,705,129	18,531	0.0060%	129	1:12.43	1:11	1,593.2	1,538.3	-3.24%	96.55%	
2019	1,648	28,854,615	17,509	0.0065%	139	1:11.86	1:11	1,646.5	1,576.3	-1.71%	95.74%	
2018	1,685	27,590,862	16,374	0.0068%	134	1:12.58	1:11	1,675.1	1,608.6	-1.18%	96.03%	
2017	1,703	26,394,432	15,499	0.0069%	135	1:12.74	1:11	1,695.1	1,632.3	-1.35%	96.30%	
2016	1,732	25,886,250	14,946	0.0074%	136	1:12.74	1:12	1,718.3	1,649.9	-1.88%	96.02%	
2015	1,754	24,875,441	14,182	0.0074%	138	1:12.71	1:14	1,751.3	1,679.4	-0.47%	95.89%	
2014	1,760	24,439,978	13,886	0.0083%	152	1:11.62	1:16	1,759.6	1,691.9	0.22%	96.15%	
2013	1,756	22,747,381	12,954	0.0086%	155	1:11.41	1:17	1,755.8	1,677.7	1.59%	95.55%	

Sources: District records

Note: Enrollment based on annual October district count.

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).

**SWEDESORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEAR**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
DISTRICT BUILDINGS										
Elementary Schools:										
Governor Charles G Harker School (2008):										
Square Feet	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Capacity (Students)	720	720	720	720	720	720	720	720	720	720
Enrollment	669	660	663	682	721	773	784	785	765	735
Governor Charles C. Stratton School (2004):										
Square Feet	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000
Capacity (Students)	620	620	620	620	620	620	620	620	620	620
Enrollment (a)	421	401	427	440	439	403	442	480	505	494
Walter H. Hill School (1922)										
Square Feet	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000
Capacity (Students)	407	407	407	407	407	407	407	407	407	407
Enrollment	250	204	267	273	269	259	263	249	259	250
Margaret C. Clifford School (1996)										
Square Feet	43,151	43,151	43,151	43,151	43,151	43,151	43,151	43,151	43,151	43,151
Capacity (Students)	262	262	262	262	262	262	262	262	262	262
Enrollment	234	244	246	253	256	268	243	240	231	243

Number of Schools at June 30, 2022:

Elementary = 3

Sixth Grade = 1

Source: District Facilities Office

Note: Year of original construction is shown in parentheses.

Enrollment is based on the annual October District count.

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS**

UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES
11-000-261-xxx

	Walter H. Hill	Margaret C. Clifford	Governor Charles C Stratton	Charles G Harker	TOTAL
2022	228,234	164,115	111,890	125,672	629,911
2021	142,109	64,595	116,271	107,660	430,635
2020	135,992	60,471	99,000	108,143	403,606
2019	85,419	69,113	94,209	116,142	364,883
2018	79,864	62,753	68,849	99,485	310,951
2017	95,058	62,732	81,254	112,938	351,982
2016	73,006	81,700	78,420	72,245	305,371
2105	143,974	116,866	227,639	271,000	759,479
2104	156,143	106,461	205,825	241,312	709,741
2103	113,157	89,335	178,669	214,403	595,564

Source: District records

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2022

	COVERAGE	DEDUCTIBLE
School package policy - Utica National Insurance Company		
Property - blanket buildings & contents	\$ 80,274,320	\$ 1,000
Commercial general liability		
Bodily Injury & Property Damage, per Occurrence	1,000,000	
Personal & Advertising Injury, per Occurrence	1,000,000	
Damage to Premises Rented, per Occurrence	1,000,000	
Medical expense - any one person	10,000	
General Aggregate - Other Than Products & Completed Operations	3,000,000	
Aggregate Limit - Products & Completed Operations	3,000,000	
Abuse or Molestation Liability (Each Loss)	1,000,000	
Abuse or Molestation Liability (Annual Aggregate)	3,000,000	
Commercial Crime & Inland Marine Coverage		
Employee Theft, per employee	100,000	500
Forgery or Alteration, per occurrence	100,000	
Computer and Funds Transfer Fraud	100,000	
Electronic Data Processing	415,000	250
Business Auto Coverage		
Combined BI/PD Limit of Liability	1,000,000	500
Uninsured Motorist/Underinsured Motorist	1,000,000	
Commercial Umbrella Coverage		
Liability Limit	4,000,000	
School Leaders E&O Liability Coverage		
Each Loss	1,000,000	
Aggregate	3,000,000	
Workers Compensation & Employers Liability Coverage		
Workers Compensation	Statutory Limit	
Bodily Injury by Accident – Per Accident Limit	3,000,000	
Bodily Injury by Disease – Policy Limit	3,000,000	
Bodily Injury by Disease – Each Employee Limit	3,000,000	
Selective Insurance Company		
Surety - Business Administrator	275,000	

Source: District records

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
Swedesboro-Woolwich Consolidated School District
County of Gloucester
Woolwich Township, 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 Swedesboro-Woolwich Consolidated 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 February 8, 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 is 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 and is described in the accompanying schedule of findings and questioned costs as Finding 2022-001.

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



David T. McNally
Certified Public Accountant
Public School Accountant, No. 2616

Medford, New Jersey
February 8, 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
Swedesboro-Woolwich Consolidated School District
County of Gloucester
Woolwich Township, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Swedesboro-Woolwich Consolidated 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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as Finding No. 2022-001. Our opinion on each major federal program is not modified with respect to these matters.

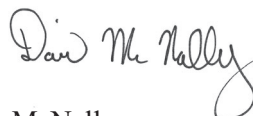
The School District's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The School District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no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

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



David T. McNally
Certified Public Accountant
Public School Accountant, No. 2616

Medford, New Jersey
February 8, 2023

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**SWEDESBORO-WOODRIDGE CONSOLIDATED SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR FISCAL YEAR ENDED JUNE 30, 2022**

ASSISTANCE LISTING NUMBER	FAIN NUMBER	GRANTOR STATE PROJECT NUMBER	PROGRAM AWARD AMOUNT	GRANT PERIOD	BALANCE AT		CASH RECEIVED	BUDGETARY EXPENDITURES	SUBRECIPIENT EXPENDITURES	REPAYMENT OF PRIOR YEARS' BALANCES	(ACCOUNTS RECEIVABLE)	BALANCE JUNE 30, 2022	
					JUNE 30, 2021	JUNE 30, 2022							
PROGRAM TITLE					\$	\$	\$	\$	\$	\$	\$	\$	
U.S. Department of Agriculture													
Passed Through New Jersey Department of Agriculture:													
Child Nutrition Cluster:													
10.555	21NJ304N1099	Unavailable	\$30,452	7/1/20-6/30/21	-	\$ (2,090)	-	-	-	-	-	-	
10.555	21NJ304N1099	Food Distribution Program (Noncash Assistance)	67,566	7/1/21-6/30/22	67,566	(671,122)	-	-	-	-	-	444	
10.555	21NJ304N1099	Food Distribution Program (Noncash Assistance)	26,128	7/1/20-6/30/21	(21,944)	-	-	-	-	-	-	-	
10.555	21NJ304N1099	COVID-19 National School Lunch Program	805,835	7/1/20-6/30/22	-	(805,835)	-	-	-	-	(61,439)	-	
10.555	21NJ304N1099	COVID-19 National School Lunch Program	5,211	7/1/20-6/30/21	(438)	-	-	-	-	-	-	-	
10.555	21NJ304N1099	COVID-19 Healthy Hunger-Free Kids Act	34,346	7/1/20-6/30/22	321,500	(443,516)	-	-	-	-	(23,515)	-	
10.555	21NJ304N1099	COVID-19 National School Breakfast Program	13,828	7/1/20-6/30/22	13,828	(13,828)	-	-	-	-	-	-	
Total Child Nutrition Cluster					(20,292)	1,170,000	(1,234,218)	-	-	-	(84,954)	444	
COVID-19 Pandemic EBT Food Benefit Program					-	1,242	(1,242)	-	-	-	-	-	
					-	1,242	(1,242)	-	-	-	-	-	
Total Enterprise Fund					(20,292)	1,171,242	(1,235,460)	-	-	-	(84,954)	444	
U.S. Department of Homeland Security													
Passed Through New Jersey Department of Law and Public Safety:													
Disaster-Grants - Public Assistance													
97.036	unavailable	100-066-1200-C50	68,276	7/1/21-6/30/22	-	-	(68,276)	-	-	-	-	-	
Total General Fund					-	68,276	(68,276)	-	-	-	-	-	
U.S. Department of Health and Human Services													
Passed Through New Jersey Department of Human Services:													
Medical Assistance Program (SEM)													
93.778	220SNMAP	100-034-5064-211	34,437	7/1/20-9/30/22	-	-	(34,437)	-	-	-	(8,360)	-	
93.778	2105NMAP	100-034-5064-211	28,129	7/1/20-6/30/21	(1,298)	1,298	-	-	-	-	-	-	
Total General Fund					(1,298)	27,737	(34,437)	-	-	-	(8,360)	-	
U.S. Department of Education													
Passed Through New Jersey Department of Education:													
Special Education Cluster:													
84.010	S010A200020	100-034-5064-194	108,057	7/1/20-9/30/21	(48,022)	48,022	-	-	-	-	-	-	
84.010	S010A210080	100-034-5064-194	91,632	7/1/21-9/30/22	-	-	(91,632)	-	-	-	-	-	
Subtotal					(48,022)	130,654	(91,632)	-	-	-	-	-	
84.367	S367A200029	100-034-5065-290	25,050	7/1/20-9/30/21	(3,650)	3,650	-	-	-	-	-	-	
84.367	S367A210029	100-034-5065-290	23,634	7/1/21-9/30/22	-	-	(23,634)	-	-	-	-	-	
Subtotal					(3,650)	26,684	(23,634)	-	-	-	-	-	
84.146	S365A170020	100-034-5064-187	6,335	7/1/17-6/30/18	(233)	-	-	-	-	-	(233)	-	
84.146	S365A190080	100-034-5064-187	4,946	7/1/19-6/30/20	(1,548)	-	-	-	-	-	(1,548)	-	
84.146	S365A200010	100-034-5064-187	31,260	7/1/20-9/30/21	(4,752)	10,006	(6,254)	-	-	-	-	-	
84.146	S365A210030	100-034-5064-187	40,990	7/1/21-9/30/22	-	-	(25,259)	-	-	-	2,654	-	
Subtotal					(6,523)	37,919	(30,513)	-	-	-	(1,771)	2,654	
84.424	S42A210081	100-034-5065-348	10,000	7/1/21-9/30/22	-	10,000	-	-	-	-	-	-	
84.424	S42A200081	100-034-5065-348	11,483	7/1/20-9/30/21	(11,483)	-	-	-	-	-	-	-	
Subtotal					(11,483)	21,483	(10,900)	-	-	-	-	-	
Special Education Cluster:													
84.027A	H027A200100	100-034-5065-016	295,733	7/1/20-9/30/21	(110,849)	110,849	-	-	-	-	-	-	
84.027A	H027A210100	100-034-5065-016	279,895	7/1/21-9/30/22	-	-	(279,893)	-	-	-	-	-	
Subtotal					(110,849)	390,742	(779,893)	-	-	-	-	-	
84.173A	H173A200014	100-034-5065-020	17,674	7/1/20-9/30/21	(17,674)	17,674	-	-	-	-	-	-	
84.173A	H173A210114	100-034-5065-020	17,736	7/1/21-9/30/22	-	-	(17,736)	-	-	-	-	-	
Subtotal					(17,674)	35,410	(17,259)	-	-	-	-	-	
84.027X	H027X210100	100-034-5065-094	67,514	7/1/21-9/30/22	-	-	(67,514)	-	-	-	-	-	
Subtotal					-	67,514	(67,514)	-	-	-	-	-	
84.173X	H173X210114	100-034-5065-095	5,757	7/1/21-9/30/22	-	-	(5,757)	-	-	-	-	-	
Subtotal					-	5,757	(5,757)	-	-	-	-	-	
Total Special Education Cluster													
21.019	S42SD200027	100-034-5120-516	115,171	7/16/20-10/31/20	(128,523)	499,423	(370,900)	-	-	-	(7,935)	-	
Subtotal					7,935	-	-	-	-	-	(7,935)	-	
Education Stabilization Fund:													
COVID-19 ARP ESSER III:													
84.425U	S425U210027	100-034-5120-523	795,985	3/13/20-9/30/24	-	-	(526,537)	-	-	-	(526,537)	-	
Subtotal					-	-	(526,537)	-	-	-	(526,537)	-	
84.425W	S425W210027	unavailable	71,185	4/23/21-9/30/24	-	-	(71,185)	-	-	-	(71,185)	-	
Subtotal					-	-	(71,185)	-	-	-	(71,185)	-	
84.425D	S425D200027	100-034-5120-513	354,175	3/13/20-9/30/23	-	282,000	(164,671)	-	-	-	117,329	-	
84.425D	S425D200027	100-034-5120-513	25,000	3/13/20-9/30/23	-	15,000	-	-	-	-	15,000	-	
84.425D	S425D200027	100-034-5120-513	45,000	3/13/20-9/30/23	-	22,500	(10,884)	-	-	-	11,616	-	
Subtotal					-	319,500	(175,555)	-	-	-	143,945	-	
84.425D	S425D200027	100-034-5120-513	89,976	9/3/20-9/30/23	(4,661)	4,661	-	-	-	-	-	-	
Subtotal					(4,661)	4,661	-	-	-	-	-	-	
Total Education Stabilization Fund					(4,661)	324,161	(709,277)	-	-	-	(533,722)	143,945	
Total Special Revenue Fund													
Total Expenditures of Federal Awards					(194,327)	1,049,324	(1,235,946)	-	-	-	(7,935)	(535,493)	146,599
Total Expenditures of Federal Awards					(215,917)	2,316,217	(2,574,129)	-	-	-	(7,935)	(628,807)	147,043

**SWEDESHOR-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR FISCAL YEAR ENDED JUNE 30, 2022**

STATE GRANTOR/PROGRAM TITLE OR CLUSTER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2021	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS	REPAYMENT OF PRIOR YEARS' BALANCES	BALANCE AT JUNE 30, 2022		MEMO		
									(ACCOUNTS RECEIVABLE)	UNEARNED REVENUE	DUE TO GRANTOR	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
New Jersey Department of Education:													
General Fund:													
Categorical Special Education Aid	495-034-5120-089	\$ 1,357,452	7/1/21-6/30/22	\$ -	\$ 1,357,452	\$ (1,357,452)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 130,945	\$ 1,357,452
Equalization Aid	495-034-5120-078	7,044,005	7/1/21-6/30/22	-	7,044,005	(7,044,005)	-	-	-	-	-	679,490	7,044,005
Security Aid	495-034-5120-084	162,836	7/1/21-6/30/22	-	162,836	(162,836)	-	-	-	-	-	15,708	162,836
Total State Aid Public					8,564,293	(8,564,293)						826,143	8,564,293
Categorical Transportation Aid	495-034-5120-014	665,956	7/1/21-6/30/22	-	665,956	(665,956)	-	-	-	-	-	64,240	665,956
Nonpublic Transportation Aid	495-034-5120-014	30,450	7/1/20-6/30/21	(30,450)	30,450	-	-	-	-	-	-	-	-
Nonpublic Transportation Aid	495-034-5120-014	31,610	7/1/21-6/30/22	-	-	(31,610)	-	-	(31,610)	-	-	-	31,610
Total Transportation Aid					696,406	(697,566)						64,240	697,566
Securing Our Children's Future Bond Act	unavailable	84,253	7/1/21-6/30/22	(35,602)	35,602	-	-	-	-	-	-	-	-
Extraordinary Aid	495-034-5120-044	147,669	7/1/20-6/30/21	(147,669)	147,669	-	-	-	-	-	-	-	-
Extraordinary Aid	495-034-5120-044	100,761	7/1/21-6/30/22	-	-	(100,761)	-	-	(100,761)	-	-	-	100,761
Reimbursed TPAF Social Security Contributions	495-034-5094-003	875,485	7/1/20-6/30/21	(39,630)	39,630	-	-	-	-	-	-	-	-
Reimbursed TPAF Social Security Contributions	495-034-5094-003	893,431	7/1/21-6/30/22	-	849,883	(893,431)	-	-	(43,548)	-	-	-	893,431
Noncash Assistance:													
On Behalf TPAF - Non-contributory Insurance	100-034-5094-004	1,543	7/1/21-6/30/22	-	1,543	(1,543)	-	-	-	-	-	-	1,543
On Behalf TPAF	100-034-5094-002	4,216,012	7/1/21-6/30/22	-	4,216,012	(4,216,012)	-	-	-	-	-	-	4,216,012
On Behalf TPAF - Post Retirement Medical	100-034-5094-001	985,031	7/1/21-6/30/22	-	985,031	(985,031)	-	-	-	-	-	-	985,031
Total General Fund				(253,351)	15,536,069	(15,458,637)			(175,919)			890,383	15,458,637
Special Revenue Fund:													
N.J. School Development Authority Aid:													
Emergent and Capital Maintenance Needs	unavailable	36,182	7/1/21-6/30/22	-	36,182	(36,182)	-	-	-	-	-	-	36,182
Total Special Revenue Fund					36,182	(36,182)							36,182
Debt Service Fund:													
Debt Service Aid	495-034-5120-075	470,033	7/1/21-6/30/22	-	470,033	(470,033)	-	-	-	-	-	-	470,033
Total Debt Service Fund					470,033	(470,033)							470,033
Enterprise Fund:													
National School Lunch Program (State Share)	100-010-3350-023	11,857	7/1/20-6/30/21	(1,594)	1,594	-	-	-	-	-	-	-	-
National School Lunch Program (State Share)	100-010-3350-023	18,933	7/1/21-6/30/22	-	17,519	(18,933)	-	-	(1,414)	-	-	-	18,933
Total Enterprise Fund					19,113	(18,933)			(1,414)				18,933
Total State Financial Assistance					16,061,397	(15,983,785)						890,383	15,983,785
Less: Grants Not Subject to Major Program Determination													
On Behalf TPAF - Non-contributory Insurance	100-034-5094-004	1,543	7/1/21-6/30/22	-	-	1,543	-	-	-	-	-	-	-
On Behalf TPAF	100-034-5094-002	4,216,012	7/1/21-6/30/22	-	-	4,216,012	-	-	-	-	-	-	-
On Behalf TPAF - Post Retirement Medical	100-034-5094-001	985,031	7/1/21-6/30/22	-	-	985,031	-	-	-	-	-	-	-
Total State Financial Assistance subject to Calculation for Major Program Determination													
					\$ (10,781,199)								

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

**SWEDESBORO-WOOLWICH CONSOLIDATED 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 Swedesboro-Woolwich Consolidated 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.

**SWEDESBORO-WOOLWICH CONSOLIDATED 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 \$(74,550) for the general fund and \$(45,297) 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	\$ 102,713	\$ 15,384,087	\$ 15,486,800
Special Revenue Fund	1,240,617	-	1,240,617
Debt Service Fund	-	470,033	470,033.00
Food Service Fund	1,235,460	18,933	1,254,393
	<u>1,235,460</u>	<u>18,933</u>	<u>1,254,393</u>
Total Awards & Financial Assistance	<u>\$ 2,578,790</u>	<u>\$ 15,873,053</u>	<u>\$ 18,451,843</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 Swedesboro-Woolwich Consolidated School District had no loan balances outstanding as of June 30, 2022.

Note 6. On-Behalf Programs Not Subject to State Single Audit Major Program Determination

On-behalf State Programs for the TPAF Pension and Post-retirement Medical Benefits Contributions are excluded from State single audit major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's financial statements and the amounts subject to State single audit and major program determination.

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:

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

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

Noncompliance material to financial statements noted? X yes no

Federal Awards

Internal control over major programs:

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

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

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

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

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>10.555</u>	<u>211NJ304N10999</u>	<u>Child Nutrition Cluster</u>
<u>10.553</u>	<u>211NJ304N10999</u>	<u>National School Lunch Program</u>
		<u>National School Breakfast Program</u>
<u>84.425D</u>	<u>S425D200027</u>	<u>Education Stabilization Fund</u>
<u>84.425U</u>	<u>S425U210027</u>	<u>ESSER II</u>
<u>84.425W</u>	<u>S425W210027</u>	<u>ESSER III</u>
		<u>ESSER - Homeless Children and Youth</u>

Dollar threshold used to determine Type A programs \$750,000

Auditee qualified as low-risk auditee? yes X no

**SWEDESBORO-WOOLWICH CONSOLIDATED 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 _____

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

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
_____	State Aid - Public: _____
495-034-5120-078	Equalization Aid _____
495-034-5120-084	Categorical Security Aid _____
495-034-5120-089	Categorical Special Education Aid _____
_____	_____
_____	_____
_____	_____
_____	_____

**SWEDESBORO WOOLWICH CONSOLIDATED 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.

Finding 2022-001:

Criteria or specific requirement:

The New Jersey Department of Agriculture requires a School Food Authority to maintain a nonprofit School Food Service. The nonprofit status of the School Food Service is determined by evaluating net cash resources, which may not exceed three months average expenditures.

Condition:

Net cash resources in the Food Service Fund exceeded three months average expenditures.

Context:

Utilizing the USA net cash resource calculation form, it was determined that the District's net cash resources exceeded the three months average expenditure by \$340,179, as of June 30, 2022.

Effect:

The New Jersey Department of Agriculture requirement regarding Net Cash Resources was not met.

Cause:

The School District had remote learning for students in place during the school year due to the COVID-19 pandemic. This caused a sharp drop in operating expenditures and an increase in revenues due to student meals being classified as free meals for federal reimbursement.

Recommendation:

The District should reduce net cash resources on hand in the Food Service Fund through capital expenditures or other improvements to the Food Service Program.

Views of responsible officials and planned corrective actions:

Management agrees with the finding and will continue to expend funds as reasonably possible.

**SWEDESBORO WOOLWICH CONSOLIDATED 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

Finding 2022-001:

Criteria or specific requirement:

The New Jersey Department of Agriculture requires a School Food Authority to maintain a nonprofit School Food Service. The nonprofit status of the School Food Service is determined by evaluating net cash resources, which may not exceed three months average expenditures.

Condition:

Net cash resources in the Food Service Fund exceeded three months average expenditures.

Questioned Costs:

None.

Context:

Utilizing the USA net cash resource calculation form, it was determined that the District's net cash resources exceeded the three months average expenditure by \$340,179, as of June 30, 2022.

Effect:

The New Jersey Department of Agriculture requirement regarding Net Cash Resources was not met.

Cause:

The School District had remote learning for students in place during the school year due to the COVID-19 pandemic. This caused a sharp drop in operating expenditures and an increase in revenues due to student meals being classified as free meals for federal reimbursement.

Recommendation:

The District should reduce net cash resources on hand in the Food Service Fund through capital expenditures or other improvements to the Food Service Program.

Views of responsible officials and planned corrective actions:

Management agrees with the finding and will continue to expend funds as reasonably possible.

**SWEDESBORO-WOOLWICH CONSOLIDATED 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
(continued)**

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.

STATE FINANCIAL ASSISTANCE

None.

**SWEDESBORO WOOLWICH CONSOLIDATED SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

No Prior Year Findings.

Federal Awards

Not applicable.

State Financial Assistance

No Prior Year Findings.