

**SCHOOL DISTRICT
OF
MANNINGTON TOWNSHIP**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

of the

Mannington Township Board of Education

Salem, New Jersey

For the Fiscal Year Ended June 30, 2021

COMPREHENSIVE ANNUAL FINANCIAL REPORT

of the

**Mannington Township Board of Education
Salem, New Jersey**

For the Fiscal Year Ended June 30, 2021

Prepared by

**Mannington Township Board of Education
Finance Department**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE MANNINGTON TOWNSHIP SCHOOL DISTRICT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

TABLE OF CONTENTS

<u>INTRODUCTORY SECTION</u>	<u>Page</u>
Letter of Transmittal	1-5
Organizational Chart	6
Roster of Officials	7
Consultants and Advisors	8
<u>FINANCIAL SECTION</u>	
Independent Auditor's Report	9-11
Required Supplementary Information - Part I Management's Discussion and Analysis(Unaudited)	12-19
Basic Financial Statements	
A. District-wide Financial Statements:	
A-1 Statement of Net Position	20
A-2 Statement of Activities	21
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	22
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balances	23
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	24
Proprietary Funds:	
B-4 Statement of Net Position	25
B-5 Statement of Revenues, Expenses, and Changes in Fund Net Position	26
B-6 Statement of Cash Flows	27
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Position	N/A
B-8 Statement of Changes in Fiduciary Net Position	N/A
Notes to the Financial Statements	28-58

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE MANNINGTON TOWNSHIP SCHOOL DISTRICT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**TABLE OF CONTENTS
(Page 2)**

FINANCIAL SECTION (continued)	<u>Page</u>
Required Supplementary Information - Part II	
C. Budgetary Comparison Schedules (Unaudited):	
C-1 Budgetary Comparison Schedule - General Fund	59-64
C-1a Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	N/A
C-1b Community Development Block Grant – Budget and Actual	N/A
C-2 Budgetary Comparison Schedule – Special Revenue Fund	65
Notes to the Required Supplementary Information - Part II	
C-3 Budget-to-GAAP Reconciliation	66
Required Supplementary Information - Part III (Unaudited)	
L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)	
L-1 Schedule of the District’s Proportionate Share of the Net Pension Liability – PERS	67
L-2 Schedule of District Contributions – PERS	68
L-3 Schedule of the District’s Proportionate Share of the Net Pension Liability – TPAF	69
M. Schedules Related to Accounting and Reporting for Postemployment Benefits Other Than Pensions	
M-1 Schedule of Changes in the Total OPEB Liability and Related Ratios	70
Other Supplementary Information	
D. School Based Budget Schedules (if applicable)	
D-1 Combining Balance Sheet	N/A
D-2 Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type – Actual	N/A
D-3 Blended Resource Fund - Schedule of Blended Expenditures - Budget and Actual	N/A

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE MANNINGTON TOWNSHIP SCHOOL DISTRICT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

TABLE OF CONTENTS

<u>INTRODUCTORY SECTION</u>	<u>Page</u>
Letter of Transmittal	1-5
Organizational Chart	6
Roster of Officials	7
Consultants and Advisors	8
<u>FINANCIAL SECTION</u>	
Independent Auditor's Report	9-11
Required Supplementary Information - Part I Management's Discussion and Analysis(Unaudited)	12-19
Basic Financial Statements	
A. District-wide Financial Statements:	
A-1 Statement of Net Position	20
A-2 Statement of Activities	21
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	22
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balances	23
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	24
Proprietary Funds:	
B-4 Statement of Net Position	25
B-5 Statement of Revenues, Expenses, and Changes in Fund Net Position	26
B-6 Statement of Cash Flows	27
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Position	N/A
B-8 Statement of Changes in Fiduciary Net Position	N/A
Notes to the Financial Statements	28-58

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE MANNINGTON TOWNSHIP SCHOOL DISTRICT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**TABLE OF CONTENTS
(Page 2)**

FINANCIAL SECTION (continued)	<u>Page</u>
Required Supplementary Information - Part II	
C. Budgetary Comparison Schedules (Unaudited):	
C-1 Budgetary Comparison Schedule - General Fund	59-64
C-1a Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	N/A
C-1b Community Development Block Grant – Budget and Actual	N/A
C-2 Budgetary Comparison Schedule – Special Revenue Fund	65
Notes to the Required Supplementary Information - Part II	
C-3 Budget-to-GAAP Reconciliation	66
Required Supplementary Information - Part III (Unaudited)	
L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)	
L-1 Schedule of the District’s Proportionate Share of the Net Pension Liability – PERS	67
L-2 Schedule of District Contributions – PERS	68
L-3 Schedule of the District’s Proportionate Share of the Net Pension Liability – TPAF	69
M. Schedules Related to Accounting and Reporting for Postemployment Benefits Other Than Pensions	
M-1 Schedule of Changes in the Total OPEB Liability and Related Ratios	70
Other Supplementary Information	
D. School Based Budget Schedules (if applicable)	
D-1 Combining Balance Sheet	N/A
D-2 Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type – Actual	N/A
D-3 Blended Resource Fund - Schedule of Blended Expenditures - Budget and Actual	N/A

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE MANNINGTON TOWNSHIP SCHOOL DISTRICT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**TABLE OF CONTENTS
(Page 3)**

FINANCIAL SECTION (continued)	<u>Page</u>
E. Special Revenue Fund:	
E-1 Combining Schedule of Program Revenues and Expenditures – Budgetary Basis	71-72
E-2 Preschool Education Aid Schedule(s) of Expenditures – Budgetary Basis	73
F. Capital Projects Fund:	
F-1 Summary Schedule of Project Expenditures	73a
F-2 Summary Schedule of Revenue, Expenditures, and Changes in Fund Balance – Budgetary Basis	73b
F-2a Summary Schedule of Project Revenues, Expenditures, Project Balance, and Project Status – Budgetary Basis	73c
G. Proprietary Funds:	
Enterprise Fund:	
G-1 Combining Schedule of Net Position	74
G-2 Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position	75
G-3 Combining Schedule of Cash Flow	76
Internal Service Fund:	
G-4 Combining Schedule of Net Position	77
G-5 Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position	77a
G-6 Combining Schedule of Cash Flows	77b
H. Fiduciary Funds:	
H-1 Combining Statement of Fiduciary Net Position	N/A
H-2 Combining Statement of Changes in Fiduciary Net Position	N/A
Not Used	78-80

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE MANNINGTON TOWNSHIP SCHOOL DISTRICT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**TABLE OF CONTENTS
(Page 4)**

FINANCIAL SECTION (continued)

	<u>Page</u>
I. Long-Term Debt:	
I-1 Schedule of Serial Bonds	81
I-2 Schedule of Obligations under Capital Leases	N/A
I-3 Debt Service Fund Budgetary Comparison Schedule	82

STATISTICAL SECTION (UNAUDITED)

Financial Trends

J-1 Net Position by Component	83
J-2 Changes in Net Position	84
J-3 Fund Balances - Governmental Funds	85
J-4 Changes in Fund Balances, Governmental Funds	86
J-5 General Fund Other Local Revenue by Source	87

Revenue Capacity

J-6 Assessed Value and Estimated Actual Value of Taxable Property	88
J-7 Direct and Overlapping Property Tax Rates	89
J-8 Principal Property Taxpayers	90
J-9 Property Tax Levies and Collections	91

Debt Capacity

J-10 Ratios of Outstanding Debt by Type	92
J-11 Ratios of General Bonded Debt Outstanding	93
J-12 Direct and Overlapping Governmental Activities Debt	94
J-13 Legal Debt Margin Information	95

Demographic and Economic Information

J-14 Demographic and Economic Statistics	96
J-15 Principal Employers	97

Operating Information

J-16 Full-time Equivalent District Employees by Function/Program	98
J-17 Operating Statistics	99
J-18 School Building Information	100
J-19 Schedule of Allowable Maintenance Expenditures by School Facility	101
J-20 Insurance Schedule	102

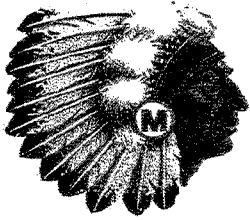
**COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE MANNINGTON TOWNSHIP SCHOOL DISTRICT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**TABLE OF CONTENTS
(Page 5)**

SINGLE AUDIT SECTION

K-1	Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	103-104
K-2	Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with New Jersey OMB Treasury Circular 15-08	105-106
K-3	Schedule of Expenditures of Federal Awards, Schedule A	107
K-4	Schedule of Expenditures of State Financial Assistance, Schedule B	108
K-5	Notes to Schedules of Awards and Financial Assistance	109-110
K-6	Schedule of Findings and Questioned Costs - Summary of Auditor's Results	111-112
K-6	Schedule of Findings and Questioned Costs - Financial Statement, Federal Awards and State Financial Assistance	113-114
K-7	Summary Schedule of Prior Year Audit Findings and Questioned Costs as Prepared by Management	115

INTRODUCTORY SECTION



Mannington Township School

495 Route 45
Mannington, NJ 08079
phone 856-935-1078
fax 856-935-3747

Ms. Kristin Williams
Chief School Administrator

Mrs. Karen Mathews
Business Administrator

February 1, 2022

Honorable President and
Members of the Board of Education
Mannington Township School District
Salem County, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Mannington Township School District for the fiscal year ended June 30, 2021 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 of the District. All disclosures that we feel are necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), "Audits of States, Local Governments, and Non-Profit Organizations" and the State Treasury Circular Letter 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES:

Mannington Township School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. All funds of the District are included in this report. The Mannington Township Board of Education and its one school constitute the District's reporting entity. Mannington Township School District provides a full range of educational services appropriate to grade levels Pre-K through Eighth grade. These include regular, as well as special education for handicapped students. Our students in grades 9-12 are sent to Salem High School in a sending/receiving relationship. Tuition and transportation are paid for by the Mannington Township Board of Education. The Mannington Township School District completed the 2020-2021 fiscal year with an enrollment of 169 students, which was 21 less students than in the prior year. The following changes in the student enrollment of the District over the last ten years show a leveling off for the later years.

<u>Fiscal</u> <u>Year</u>	<u>Student</u> <u>Enrollment</u>	<u>Percent</u> <u>Change</u>
2020-21	169	-11.05%
2019-20	190	17.28%
2018-19	162	6.57%
2017-18	152	-3.20%
2016-17	157	-14.01%
2015-16	179	-1.01%
2014-15	181	1.68%
2013-14	178	-2.19%
2012-13	182	8.98%
2011-12	167	-1.76%

2. ECONOMIC CONDITION AND OUTLOOK:

Mannington Township is showing, and will continue to show, a limited increase in new housing. The Township houses many of the county government facilities, i.e., emergency management, the county jail, the County Vocational Technical School and Prep Center, plus numerous churches and the Memorial Hospital of Salem County. A large percentage of land is locked from building by the Farmland Preservation Act, wetlands designation, plus the Mannington Meadows (a National Wildlife Preserve). The Township is experiencing limited growth in industry and professional establishments. At the current time, at least two developers have applied to build multi-home developments within the community. It is anticipated, that that once the building process is underway, the district enrollment will increase.

3. MAJOR INITIATIVES:

Student scores on state and independent assessments remained stable with a large percentage of the student population scoring in the meets or exceeds expectations range for grades 1-8. Continued utilization of the ESI (Early Screening Inventory) is assisting in identifying areas of need for our Pre-K and Kindergarten classes. Also used at the early childhood level is Teaching Strategies Gold to monitor student progress and communicate that progress with families. The district continues to focus professional development in the area of effective instruction across the curriculum as well as specialized attention in literacy, reading, writing.

Mannington Township School offers full day Pre-K and Kindergarten programs that utilize “Tools of the Mind” and NJCCCS respectively. Curriculums are consistently monitored and aligned accordingly to NJ Teaching and Learning Standards and differentiated instruction is a key focus in lessons through all disciplines.

The Mannington School continues to provide and ensure a safe and healthy learning environment for staff and students. The district has implemented safety protocols in alignment with requirements of the pandemic. The district has expanded cafeteria storage for greater independence and broader services. Repairs and upgrades to the building such as roof repairs and walking path upgrades, maintain the facility for the students and community. A Safety Committee meets quarterly to review procedures and plans in order to optimize school safety.

During the 2020-2021 school year, the district continues to concentrate on early identification of academic issues with students in our Pre-K through Third Grade classes. Through our Intervention and Referral Services we use a tiered RTI (Response to Intervention) system. Our processes continue to be refined to best meet student’s academic, behavioral and social emotional needs. Students, staff, and administration were presented information and training through workshops, assemblies, and activities to help the school climate remain bully free. The district maintains an emphasis on teaching and demonstrating respect to foster a supportive and safe school culture. In the area of technology the Mannington School is utilizing online reports and assessments, Chromebook and iPad carts, and SMART/Promethean Boards. Curriculum is infused with technology and lessons can be enhanced through the use of computers and the Google platform. Several technology based programs have been purchased, such as IXL and Renaissance Learning. The teachers also utilize several free online resources to enhance instruction. The needs of all students are considered in both regular and special education. A recent reduction in resource room placements has been achieved through the creation of team teaching models including one special education teacher and one general education teacher. We continue to expand our district wide services with an SEL coach that works with students related to mindfulness and overall well being.

The parent-paid tuition rate is competitive with surrounding districts and allows parents outside of Mannington Township a reasonable and affordable choice within the county for their child(ren)’s education. The number of parent-paid tuition students has increased over the past several years, even with choice schools being offered in Salem County.

4. INTERNAL ACCOUNTING CONTROLS:

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the 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 not 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 management.

As a recipient of federal awards and state financial assistance, the District is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management.

As part of the District's single audit described earlier, tests are being 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 District has complied with applicable laws and regulations.

5. BUDGETARY CONTROLS:

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund and, 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 cancelled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2021.

6. ACCOUNTING SYSTEM AND REPORTS:

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

7. DEBT ADMINISTRATION:

On March 1, 2006, the Mannington Township Board of Education issued \$2,218,000 in bonds for the renovation of the elementary school. On April 12, 2016 the Bonds Payable for the renovation of the elementary school were refunded and the balance as of June 30, 2021 was \$715,000. There was no other authorized or outstanding bonded debt as of June 30, 2021.

8. CASH MANAGEMENT:

The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The District 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 a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

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 accounting firm of Nightlinger, Colavita and Volpa, Pa. was appointed by the Board. In addition to meeting the requirements set forth in State statutes, the audit also was designed to meet the requirements of the Title 2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and State of New Jersey Treasury Circular 15-08 OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. The auditor's report on the basic financial statements and combining and individual fund statements and schedules are included in the financial section of this report. The auditor's report 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 Mannington Township Board of Education 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,

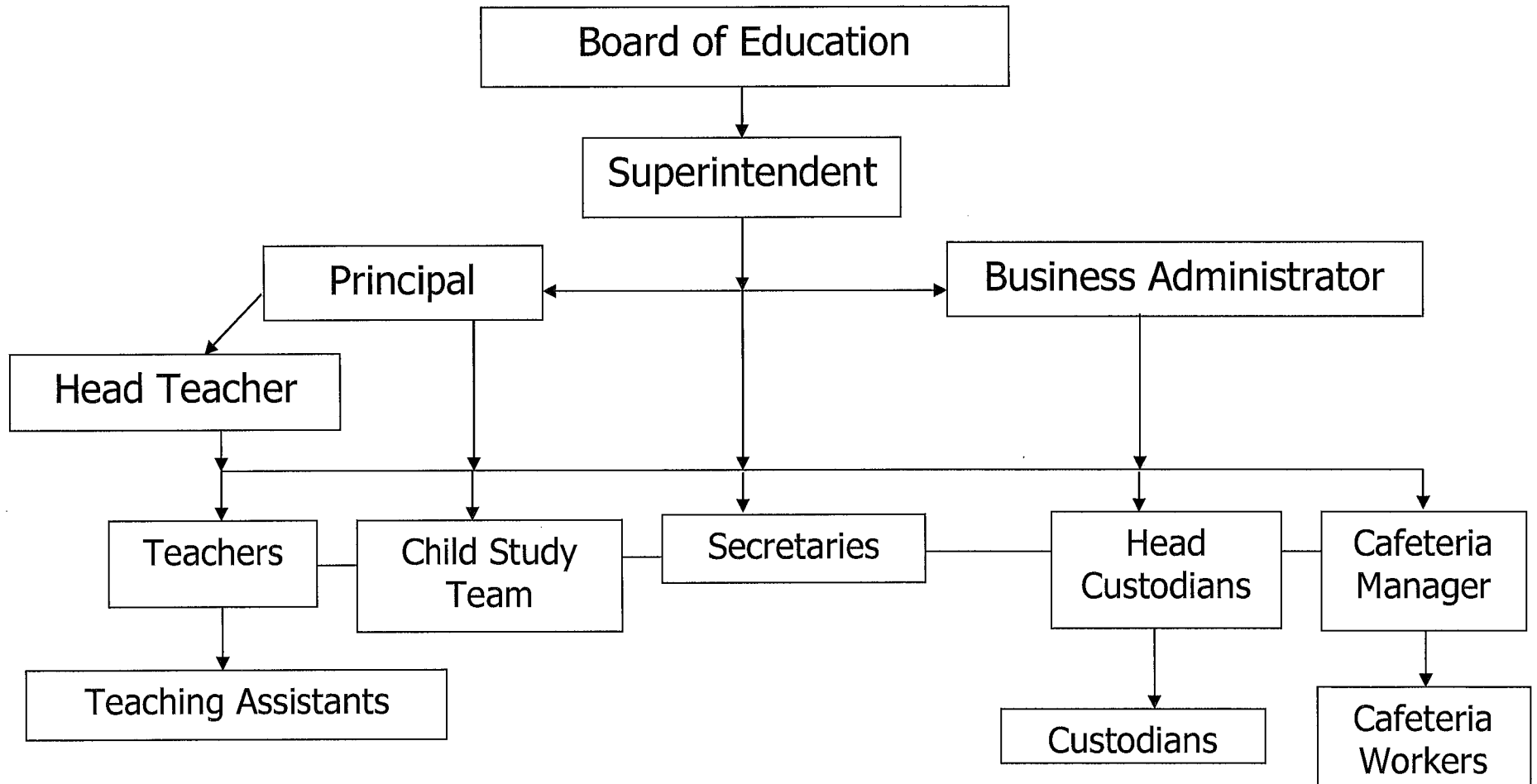


Kristin Williams, Chief School Administrator



Karen L. Mathews
Business Administrator/Board Secretary

Mannington Township School Organizational Chart



MANNINGTON TOWNSHIP BOARD OF EDUCATION

ROSTER OF OFFICIALS

JUNE 30, 2021

<u>MEMBERS OF THE BOARD OF EDUCATION</u>	<u>TERM EXPIRES</u>
Carmen Porter, President	2023
Eric Buzby, Vice President	2023
Robert DiGregorio	2022
Bethanne Patrick	2021
Robert Poole	2021
Michael Bower	2022
Joanne Cooper	2022
<u>OTHER OFFICIALS</u>	<u>SURETY BOND</u>
Ms. Kristin Williams, Chief School Administrator	
Mrs. Karen Mathews, Business Administrator	\$ 160,000
Mr. Mark Toscano, Esquire, Solicitor	

MANNINGTON TOWNSHIP SCHOOL DISTRICT
CONSULTANTS AND ADVISORS

AUDIT FIRM

Raymond Colavita, CPA, RMA
Nightlinger, Colavita and Volpa, P. A.
Certified Public Accountants
991 S. Black Horse Pike
P.O. Box 799
Williamstown, NJ 08094

ATTORNEY

Mr. Mark G. Toscano, Esq.
Comegno Law Group, PC
521 Pleasant Valley Avenue
Moorestown, New Jersey 08057

OFFICIAL DEPOSITORY

Fulton Bank
Route 45
Salem, New Jersey 08079

INSURANCE AGENCY

Conner Strong & Buckelew Companies, LLC
40 Lake Center Executive Park
401 Route 73 North
Marlton, NJ 08053

FINANCIAL SECTION

NIGHTLINGER, COLAVITA & VOLPA

A Professional Association

Certified Public Accountants

991 S. Black Horse Pike
P.O. Box 799
Williamstown, NJ 08094

(856) 629-3111
Fax (856) 728-2245
www.colavita.net

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Mannington Township School District
County of Salem, New Jersey 08079

Report on the Financial Statements

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 Board of Education of the Mannington Township School District in the County of Salem, State of New Jersey, as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Mannington Township School District's basic financial statements as listed in the table of contents.

Management's Responsibility 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; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with 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 Division of Administration and Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Mannington Township Board of Education in the County of Salem, State of New Jersey, as of June 30, 2021, 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.

Emphasis of Matter

As discussed in Note 22 to the basic financial statements, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 84, Fiduciary Activities, during the fiscal year ended June 30, 2021. Our opinions are not modified with respect to this matter.

Other Matters

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 schedules related to accounting and reporting for pensions 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Mannington Township School Board of Education's basic financial statements. The introductory section, combining and individual non-major fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by the Title 2 U.S. Code of Federal Regulations 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, and is also not a required part of the basic financial statements.

The combining and individual non-major fund financial statements and the schedule of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 non-major fund financial statements and the schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

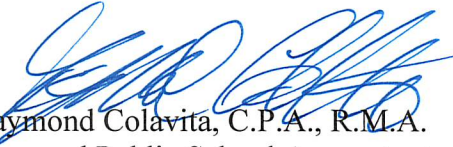
The introductory and statistical sections have not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated February 1, 2022 on our consideration of the Mannington Township Board of Education's internal control over financial reporting and 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 Mannington Township Board of Education'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 Mannington Township Board of Education's internal control over financial reporting and compliance.

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, P.A.



Raymond Colavita, C.P.A., R.M.A.
Licensed Public School Accountant
No. 915
February 1, 2022

REQUIRED SUPPLEMENTARY INFORMATION – PART I

Mannington Township School District Management Discussion and Analysis

(Unaudited)

This section of the Mannington Township School District's Comprehensive Annual Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year ending on June 30, 2021. Comparative information between the current year (2020-2021) and the prior year (2019-2020) is required to be presented in the MD&A. The intent of the discussion and analysis is to look at the District's financial performance as a whole. Interested parties should review the basic financial statements and notes in concert with this document in order to enhance and clarify their understanding of the finances of the District.

Using the Comprehensive Annual Financial Report (CAFR)

The Comprehensive Annual Financial 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 District:

- The first two statements are *district-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status and performance.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in *more detail* than the *district-wide statements*, with the focus on operations.
- The *governmental fund statements* tell how *basic* services such as regular and special education were financed in the *short-term*, as well as what remains for future spending.
- *Proprietary fund statements* offer *short-* and *long-term* financial information about activities the District operates *like businesses*.
- *Fiduciary fund statements* provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others.

The financial statements also include *notes* that explain various information in the statements and provide more detail. The statements are followed by a section of *required supplementary information* that further explains and supports the financial statements with a comparison of the District's budget for the year.

Key financial highlights for 2021 are as follows:

- General revenues accounted for \$4,360,341 in revenue or 83% percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$910,056 or 17% percent to total revenues of \$5,270,397.
- Total net position of governmental activities increased by \$450,890, comprised of changes in various assets and liabilities. The net position of the Business-type Activities increased by \$15,612.
- The School District had \$4,803,895 in expenses, of which \$910,056 of these expenses were offset by program specific charges for services, grants or contributions. Revenues (primarily federal awards, state aid and property taxes) of \$5,270,397 were adequate to provide for these programs. These revenues and expenses include the Business-type Activities.

- The General Fund had \$4,068,378 in revenues and \$3,727,113 in expenditures during the year. The General Fund's balance increased \$181,666 over 2020, which included net transfers to the Capital Projects Fund of \$138,704 and transfers to Food Service of \$20,895. This increase was anticipated by the Board of Education as fund balance was used to balance the budget. District-wide Financial Statements – Reporting the School District as a Whole

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private sector companies. The statement of net position includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements report the District's *net position* and changes in that position. Net position – the difference between the District's assets and liabilities – are one way to measure the District's overall financial position.

This change in net position is important because it tells the reader that, for the school district as a whole, the financial positions 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, which represent the district-wide financial statements, the School District is divided into two distinct kinds of activities:

- **Governmental Activities** – All of the School District's programs and services are reported here including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation, extracurricular activities and internal service funds.
- **Business-type Activities** – This service is provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service enterprise fund is reported as a business-type activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major (all) funds begins on page 22. Fund financial reports provide detailed information about these major funds. The School District uses numerous funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds.

The District may implement four types of funds:

- **Governmental funds:** Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, additional information at the bottom of the governmental fund statements explains the relationship (or differences) between them.

- *Proprietary funds:* Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements. The District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities, but provide more detail and additional information, such as cash flows.
- *Internal Service funds:* (Also considered proprietary funds) are optional and utilized to report activities that provide supplies and services for other District programs and activities. The District currently does not have any internal service funds.
- *Fiduciary funds:* The District is the trustee, or *fiduciary*, for assets that belong to others, such as the student activity fund. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the district-wide financial statements, as these assets may not be used to finance the District's operations.

The School District as a Whole

Table 1 provides a comparative summary of the School District's net position for the years ended in 2020 and 2021.

	2021	2020
Assets		
Current and Other Assets	\$ 2,507,690	\$ 2,288,940
Capital Assets, Net	1,225,337	1,195,671
Total Assets	3,733,027	3,484,611
Deferred Outflows of Resources	84,582	122,066
Liabilities		
Current Liabilities	73,767	71,252
Long-term Liabilities	1,133,471	1,415,159
Total Liabilities	1,207,238	1,486,411
Deferred inflows of Resources	413,598	402,323
Net Position		
Invested in Capital Assets, Net of Debt	538,637	371,870
Restricted	2,185,613	2,007,597
Unrestricted (Deficit)	(527,477)	(661,524)
Total Net Position	\$ 2,196,773	\$ 1,717,943

Table 2 shows the changes in net position from fiscal years 2021 and 2020.

Table 2
Changes in Net Position

	<u>2021</u>	<u>2020</u>
Revenues		
Program Revenues		
Charges for Services	\$ 70,355	\$ 97,491
Operating Grants	839,701	630,314
General Revenues		
Property Taxes	3,015,681	2,960,359
Grants and Entitlements	1,253,561	875,220
Other	91,099	133,450
	<u>5,270,397</u>	<u>4,696,834</u>
Program Expenses		
Instruction	1,608,992	1,512,448
Tuition	578,254	629,947
Pupil and Instructional Staff	497,180	391,270
General Administration, School		
Administration, Business	244,575	245,716
Operations and Maintenance of Facilities	188,521	226,294
Pupil Transportation	201,841	228,170
Employee Benefits	1,393,986	962,070
Interest on Debt	19,362	19,204
Food Service	65,212	67,275
SACC	5,972	13,440
	<u>4,803,895</u>	<u>4,295,834</u>
Total Expenses		
Increase in Net Position	<u>\$ 466,502</u>	<u>\$ 401,000</u>

Governmental Activities

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. Of the \$5,183,601 in Governmental revenue, District's Property taxes made up 58% of these revenues for governmental activities. Restricted and Unrestricted Federal, state and local grants accounted for another 40% and other revenues accounted for 2%. The total cost of services, as shown below, was \$4,803,895. The net cost of all governmental programs and services, which excludes charges for services and operating grants, was \$3,888,556. Instruction comprises 34% of these District expenses.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows a comparison of the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

Table 3

	<u>Total Cost of Services 2021</u>	<u>Net Cost of Services 2021</u>	<u>Total Cost of Services 2020</u>	<u>Net Cost of Services 2020</u>
Instruction	\$ 1,608,992	\$ 1,334,800	\$ 1,512,448	\$ 1,299,310
Tuition	578,254	578,254	629,947	629,947
Pupil and Instructional Staff	497,180	215,776	391,270	212,107
General administration, school administration, business	244,575	244,575	245,716	245,716
Operation and maintenance of facilities	188,521	188,521	226,294	226,294
Pupil Transportation	201,841	201,841	228,170	228,170
Employee Benefits	1,393,986	1,105,427	962,070	714,482
Interest and fiscal charges	19,362	19,362	19,204	19,204
Total Expenses	<u>\$ 4,732,711</u>	<u>\$ 3,888,556</u>	<u>\$ 4,215,119</u>	<u>\$ 3,575,230</u>

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.

Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development. Curriculum and staff development expenses (included in support services) are related to planning, research, development and evaluation of support services, as well as the reporting of this information internally and to the public.

Co-curricular activities include instructional expenses related to student activities provided by the School district which are designated to provide opportunities for students to participate in school events, public events, or a combination of these for the purposes of motivation, enjoyment and skill improvement.

General administration, school administration and business include expenses associated with administrative and financial supervision of the District as well as internal service fund expenses.

Operation and maintenance of facilities activities involve keeping the school grounds, buildings and equipment in an effective working condition as well as internal service fund expenses.

Pupil transportation includes activities involved with the conveyance of students to and from school and other activities, as provided by state law, as well as internal service fund expenses.

Interest and fiscal charges involve the transactions associated with the payment of interest and other related charges to debt of the School District.

Business-Type Activities

Revenues for the District's business-type activities (Food Service and SACC programs) were comprised of charges for services and federal and state reimbursements.

- Expenses exceeded program revenues by \$3,675 in the Food Service Fund and \$1,608 in the SACC Fund.
- Charges for services represent \$8,676 of revenue, which was a decrease of \$39,491 from the prior year, which was attributed to the Pandemic. This represents amount paid by patrons for daily food service and SACC activities. There was no other non-operating revenue.
- Federal and state reimbursements for meals, including payments for free and reduced lunches and donated commodities, were \$57,225.

The School District's Funds

Information about the School District's major funds starts on page 22. These funds are accounted for using the modified accrual basis of accounting. The governmental funds used (general fund, special revenue fund, capital projects and debt service fund-based statements) had total revenues of \$4,808,890, expenditures of \$4,591,136 and another net financing use reporting \$20,895 transferred to the Food Service Fund during the year. The net positive change in fund balance for the year was \$196,859, which demonstrates that the District was fully able to meet current operating costs without the use of additional fund balance. There was also a prior period adjustment of \$12,328 relating to the implementation of GASB # 84. As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the fiscal year ended June 30, 2021, and the amount and percentage of increases and decreases in relation to prior year revenues.

Revenues	Amount	Percent of Total	Increase/ (Decrease) from 2020	Percent Increase/ (Decrease)
Local Sources	\$ 3,115,273	64.78%	\$ 6,364	0.21%
State Sources	1,444,969	30.05%	212,161	19.93%
Federal Sources	248,648	5.17%	93,228	50.10%
	<u>\$ 4,808,890</u>	<u>100.00%</u>	<u>\$ 311,753</u>	<u>7.38%</u>

The increase in Local sources is attributed to increases in the general fund local tax levy of \$57,105, offset by a decrease in debt service tax levy of \$1,783, miscellaneous revenues of \$26,422 and in tuition revenue of \$22,536.

The increase in State sources of \$212,161 is attributed to increases in restricted state grants of \$101,006 and in general fund aid of \$112,074, offset by a decrease debt service aid of \$919.

The above schedule includes the last 2019-2020 state aid payments of \$72,729 received in July 2020 and does not include the last state aid payments for 2020-2021 received in July 2021 in the amount of \$71,953.

The increase in Federal sources is due to changes in various grants. In addition, the 2021 figures do not include deferred revenue in accordance with GAAP accounting.

The following schedule presents a summary of general fund, special revenue fund, and debt service fund expenditures for the fiscal year ended June 30, 2021 and the percentage of increases and decreases in relation to prior year amounts.

Expenditures	Amount	Percent of Total	Increase/ (Decrease) from 2020	Percent Increase/ (Decrease)
Current:				
Instruction	\$ 1,522,760	33.16%	\$ 94,428	7.27%
Undistributed expenditures	2,751,324	59.93%	182,800	7.45%
Capital Outlay	160,589	3.50%	24,502	12.02%
Debt Service:				
Principal	140,000	3.05%	-	0.00%
Interest	16,463	0.36%	(2,741)	-12.57%
Total	<u>\$ 4,591,136</u>	<u>100.00%</u>	<u>\$ 298,989</u>	<u>7.27%</u>

The increase in instructional expenditures is attributed to increases in special education instruction of \$60,013 and regular instruction of \$34,415.

The increase in undistributed expenditures was due to increases in student instruction related services of \$104,946 and employee benefits of \$182,172, offset by decreases in tuition of \$51,693, administrative services of \$1,626, plant operations and maintenance of \$24,670 and pupil transportation of \$26,329.

The decrease in capital outlay of \$24,502 is attributed to decreased capital expenditures for equipment.

The change in debt service results from an increase in interest cost.

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 modified accrual and encumbrance accounting. The most significant budgeted fund is the General Fund.

During the course of the fiscal year 2021, the School District amended its General Fund budget as needed. The School District uses program based budgeting. These budgeting systems are designed to tightly control total program budgets while providing flexibility for program management to address the following:

- Staffing changes based on student needs.
- Additional costs for student transportation both in regular education and special education.
- Changes in maintenance and operations.
- Changes in appropriations to prevent budget overruns.

While the District's final budget for the general fund anticipated that revenues, including surplus appropriated of \$325,404 would roughly equal expenditures, the actual results for the year show an increase of \$173,915 as shown on Exhibit C-1.

- Actual revenues were \$13,913 more than expected, excluding on-behalf pension and social security reimbursements of \$617,189, due to various state aid allotments and miscellaneous revenues.
- Actual expenditures were \$645,712 lower than expected, offset by the state on-behalf pension and social security reimbursements of \$617,189 resulting in the reportable favorable variance of \$28,523 as shown on Exhibit C-1.

Capital Assets

At the end of the fiscal year 2021, the School District had \$1,199,839 (net of accumulated depreciation) invested in Governmental land, buildings, furniture and equipment, and vehicles and \$25,498 in Business-type Activity equipment. Table 4 shows fiscal 2021 balances compared to 2020.

Table 4
Capital Assets (Net of Depreciation) at June 30

	<u>2021</u>	<u>2020</u>
Land	\$ 6,207	\$ 6,207
Construction in Progress		25,590
Land Improvements	233,247	200,762
Building and Improvements	829,024	816,749
Machinery and Equipment	156,859	146,363
Totals	<u>\$ 1,225,337</u>	<u>\$ 1,195,671</u>

Overall capital assets increased by \$26,666 from fiscal year 2020 to fiscal year 2021. The increase consisted of additions of \$183,984 offset by \$149,504 in depreciation expense and adjustments of \$4,814.

Long-Term Debt:

At year-end, the District had \$1,133,471 in outstanding debt, which represented school bonds in the amount of \$715,000, net pension liability of \$340,205 and compensated absences of \$78,266. There was no other outstanding authorized debt (Note 6). The remaining available amount of debt permitted to be authorized is \$4,993,723, as shown on Exhibit J-13.

Factors Bearing on the District's Future

At the time the financial statements were prepared and audited, the District was aware of the following existing circumstances that could significantly affect the financial position in the future:

- Collective Bargaining unit is in effect until June 30, 2023
- State Formula Aid for fiscal year 2021-2022 decreased.
- Special revenues have increased in the overall funds year to year.
- Every possible grant prospect is availed to increase and supply the best educational opportunities for students.
- Together in Education at Mannington "TEAM" (parent group) has assisted the district by providing funds for field trips and student achievement awards.
- Bonds issued in 2006 were refunded in 2016 to take advantage of a lower interest rate. This refunding will provide a savings to the taxpayers in the way of a lower yearly debt service payment.
- Ratables have decreased significantly due to the revaluation of the Memorial Hospital of Salem County and subsequent sale and change to non-profit status.

In conclusion, Mannington Township School District has remained committed to fiscal responsibility for many years. The district continues sound fiscal management practices to meet the requirements of the future and accepts the challenge to continue to find additional revenues to meet expense requirements.

Contacting the School District's 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 Karen Mathews, Business Administrator, Mannington Township School District, 495 Route 45, Salem, NJ 08079.

BASIC FINANCIAL STATEMENTS

DISTRICT WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities display information about the District.

These statements include the financial activities of the overall District, except for fiduciary activities.

Eliminations have been made to minimize the double-counting of internal activities.

These statements distinguish between the governmental and business-type activities of the District.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 957,387	\$ 31,637	\$ 989,024
Receivables, Net	171,061	5,569	176,630
Inventory		903	903
Restricted Assets:			
Capital Reserve Account - Cash	1,185,338		1,185,338
Maintenance Reserve Account - Cash	155,795		155,795
Capital Assets, Net (Note 6):	1,199,839	25,498	1,225,337
Total Assets	3,669,420	63,607	3,733,027
DEFERRED OUTFLOWS OF RESOURCES:			
Other Deferred Outflows	32,900		32,900
Deferred Pension Outflows	51,682		51,682
Total Deferred Outflows	84,582		84,582
LIABILITIES			
Current Liabilities:			
Accounts Payable	12,274	20,895	33,169
Accrued Interest Payable	4,600		4,600
Unearned Revenue	34,540	1,458	35,998
Noncurrent Liabilities:			
Due Within One Year	146,890		146,890
Due Beyond One Year	986,581		986,581
Total Liabilities	1,184,885	22,353	1,207,238
DEFERRED INFLOWS OF RESOURCES:			
Deferred Pension Inflows	413,598		413,598
Total Deferred Inflows	413,598		413,598
NET POSITION			
Invested in Capital Assets, Net of Related Debt	513,139	25,498	538,637
Restricted for:			
Capital Reserve	1,185,338		1,185,338
Student Activities	10,228		10,228
Maintenance Reserve	155,795		155,795
Excess Surplus	834,252		834,252
Unrestricted (Deficit)	(543,233)	15,756	(527,477)
Total Net Position	\$ 2,155,519	\$ 41,254	\$ 2,196,773

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

**MANNINGTON TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021**

	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business- Type Activities	Total
Governmental Activities						
Instruction:						
Regular	\$ 1,426,966	\$	\$ 274,192	\$ (1,152,774)	\$	\$ (1,152,774)
Special Education	181,537			(181,537)		(181,537)
Other instruction	489			(489)		(489)
Support Services:						
Tuition	578,254			(578,254)		(578,254)
Student & Instruction Related Services	497,180	61,679	219,725	(215,776)		(215,776)
General and Business Administrative Services	76,869			(76,869)		(76,869)
School Administrative Services	90,846			(90,846)		(90,846)
Central Services	76,860			(76,860)		(76,860)
Plant Operations and Maintenance	188,521			(188,521)		(188,521)
Pupil Transportation	201,841			(201,841)		(201,841)
Employee Benefits	1,393,986		288,559	(1,105,427)		(1,105,427)
Interest on Long-term Debt	19,362			(19,362)		(19,362)
Total Governmental Activities	4,732,711	61,679	782,476	(3,888,556)		(3,888,556)
Business-type Activities:						
Food Service	65,212	4,312	57,225		(3,675)	(3,675)
SACC	5,972	4,364			(1,608)	(1,608)
Total Business-type Activities	71,184	8,676	57,225		(5,283)	(5,283)
Total Primary Government	\$ 4,803,895	\$ 70,355	\$ 839,701	(3,888,556)	(5,283)	(3,893,839)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes				2,912,390		2,912,390
Taxes Levied for Debt Service				103,291		103,291
Federal and State Aid not Restricted				1,253,561		1,253,561
Tuition Received				93,324		93,324
Investment Earnings				735		735
Miscellaneous Income				1,854		1,854
Transfer to Food Service Fund				(20,895)	20,895	
Fixed Asset Adjustment				(4,814)		(4,814)
Total General Revenues, Special Items, Extraordinary Items and Transfers				4,339,446	20,895	4,360,341
Change in Net Position				450,890	15,612	466,502
Net Position—Beginning (Deficit)				1,692,301	25,642	1,717,943
Prior Period Adjustment				12,328		12,328
Net Position, July 1, (Restated)				1,704,629	25,642	1,730,271
Net Position—Ending				\$ 2,155,519	\$ 41,254	\$ 2,196,773

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

FUND FINANCIAL STATEMENTS

The Individual Fund statements and schedules present more detailed information for the individual fund in a format that segregates information by fund.

GOVERNMENTAL FUNDS

MANNINGTON TOWNSHIP BOARD OF EDUCATION
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 903,256	\$ 10,228	\$ 24,229	\$ 39	\$ 937,752
Cash - Capital Reserve	1,185,338				1,185,338
Cash - Maintenance Reserve	155,795				155,795
State Aid Receivable	5,587				5,587
Federal Aid Receivable		156,295			156,295
Receivables from Other Governments	9,179				9,179
Interfunds Receivables	145,872				145,872
Total Assets	\$ 2,405,027	\$ 166,523	\$ 24,229	\$ 39	\$ 2,595,818
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$	\$ 12,274	\$	\$	\$ 12,274
Unearned Revenue		34,540			34,540
Interfund Payable		143,372			143,372
Total Liabilities		190,186			190,186
Fund Balances:					
Restricted For:					
Capital Reserve	1,185,338				1,185,338
Maintenance Reserve	155,795				155,795
Student Activities		10,228			10,228
Excess Surplus	430,763				430,763
Excess Surplus - Designated for Subsequent Year's Expenditures	403,489				403,489
Committed				39	39
Assigned to Year-End Encumbrance	17,704		24,229		41,933
Unassigned, Reported In:					
General Fund	211,938				211,938
Special Revenue Fund (Deficit)		(33,891)			(33,891)
Total Fund Balances (Deficit)	2,405,027	(23,663)	24,229	39	2,405,632
Total Liabilities and Fund Balances	\$ 2,405,027	\$ 166,523	\$ 24,229	\$ 39	

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 \$3,366,381 and the accumulated depreciation is \$2,166,542 (Note 6).	1,199,839
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 (Note 7).	(793,266)
Deferred Outflow of Resources - Deferred Pension Contribution	51,682
Deferred Outflow of Resources - Debt Refinancing	32,900
Deferred Inflows of Resources - Pension Actuarial Gains	(413,598)
Long Term Net Pension Liability	(340,205)
Accrued Interest on Bonds not payable until the next year	(4,600)
Internal Service Fund - Net Position	17,135
Net position of governmental activities	\$ 2,155,519

MANNINGTON TOWNSHIP BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local sources:					
Local Tax Levy	\$ 2,912,390			\$ 103,291	\$ 3,015,681
Tuition from Individuals	93,324				93,324
Interest Earned	735				735
Local Sources		3,679			3,679
Miscellaneous	1,854				1,854
Total Local Sources	3,008,303	3,679		103,291	3,115,273
State Sources	1,060,075	331,683		53,211	1,444,969
Federal Sources		248,648			248,648
Total Revenues	4,068,378	584,010		156,502	4,808,890
EXPENDITURES					
Current:					
Regular Instruction	1,070,498	274,192			1,344,690
Special Education Instruction	178,070				178,070
Support Services:					
Tuition	578,254				578,254
Student & Instruction Related Services	204,132	219,725			423,857
General Administration	67,722				67,722
School Administrative Services	86,230				86,230
Central Services	70,877				70,877
Plant Operations and Maintenance	173,348				173,348
Pupil Transportation	201,841				201,841
Employee Benefits	1,091,577	57,618			1,149,195
Capital Outlay	4,564	41,550	114,475		160,589
Debt Service:					
Principal				140,000	140,000
Interest and Other Charges				16,463	16,463
Total Expenditures	3,727,113	593,085	114,475	156,463	4,591,136
Excess (Deficiency) of Revenues Over Expenditures	341,265	(9,075)	(114,475)	39	217,754
OTHER FINANCING SOURCES (USES)					
Transfer to Capital Projects Fund	(138,704)		138,704		
Transfer to Food Service	(20,895)				(20,895)
Total Other Financing Sources and Uses	(159,599)		138,704		(20,895)
Net Change in Fund Balances	181,666	(9,075)	24,229	39	196,859
Fund Balance, July 1 (Deficit)	2,223,361	(26,916)			2,196,445
Prior Period Adjustment		12,328			12,328
Fund Balance, July 1, (Restated)	2,223,361	(14,588)			2,208,773
Fund Balance—June 30 (Deficit)	\$ 2,405,027	\$ (23,663)	\$ 24,229	\$ 39	\$ 2,405,632

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

MANNINGTON TOWNSHIP BOARD OF EDUCATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

Total net change in fund balances - governmental funds (from B-2) \$ 196,859

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

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

Depreciation Expense	\$	(143,816)	
Fixed Asset Adjustment		(4,814)	
Capital Outlays		160,589	
			11,959

Pension Expense recognized for GAAP but not for Budgetary purposes.

In the statement of activities, certain operating expenses are measured by the amounts earned during the year, such as compensated absences. In the governmental funds, however, expenditures are reported when the corresponding financial resources are used or paid. (9,162)

Amortization of the Loss on Debt Refunding is expensed in the Statement of Activities but not in the Fund statements (4,700.00)

Repayment of Serial Bond principal is an expenditure in the government funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of net assets. 140,000

Pension contributions are reported in governmental funds as expenditures. However, in the statement of activities, the contributions are adjusted for actuarial valuation adjustments, including service and interest costs, administrative costs, investment returns, and experience/assumption. This is the amount by which net pension liability and deferred inflows/outflows related to pension changed during the period. 106,791

In the statement of activities, interest on long term debt is accrued, regardless of when due, In the Governmental funds, interest is reported when due for payment. 1,801

Internal Service Fund - Increase in Net Position 7,342

Change in net position of governmental activities (A-2) **\$ 450,890**

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

PROPRIETARY FUNDS

MANNINGTON TOWNSHIP BOARD OF EDUCATION
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021

	Business-Type Activities Enterprise Fund			Governmental Activities Internal Service Fund
	Food Service	SACC Program	Total Enterprise	
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 26,601	\$ 7,536	\$ 34,137	\$ 17,135
Accounts Receivable	4,588	981	5,569	
Inventory	903		903	
Total Current Assets	<u>32,092</u>	<u>8,517</u>	<u>40,609</u>	<u>17,135</u>
Noncurrent Assets:				
Furniture, Machinery & Equipment	36,740		36,740	
Less Accumulated Depreciation	(11,242)		(11,242)	
Total Noncurrent Assets	<u>25,498</u>		<u>25,498</u>	
Total Assets	<u>\$ 57,590</u>	<u>\$ 8,517</u>	<u>\$ 66,107</u>	<u>\$ 17,135</u>
LIABILITIES AND FUND EQUITY:				
Current Liabilities:				
Unearned Revenue	\$ 1,321	\$ 137	\$ 1,458	\$
Accounts Payable	20,895		20,895	
Due to General Fund	2,500		2,500	
Total Current Liabilities	<u>24,716</u>	<u>137</u>	<u>24,853</u>	
Net Position				
Invested in Capital Assets, Net of Related Debt	25,498		25,498	
Unrestricted	7,376	8,380	15,756	17,135
Total Net Position	<u>32,874</u>	<u>8,380</u>	<u>41,254</u>	<u>17,135</u>
Total Liabilities & Net Position	<u>\$ 57,590</u>	<u>\$ 8,517</u>	<u>\$ 66,107</u>	<u>\$ 17,135</u>

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

MANNINGTON TOWNSHIP BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Business-Type Activities Enterprise Fund			Governmental Activities Internal Service Fund
	Food Service	SACC Program	Totals	
	_____	_____	_____	_____
Operating Revenues:				
Charges for Services:				
Daily Sales Reimbursable Programs	\$ -	\$ -	\$ -	\$ -
Daily Sales Non-Reimbursable Programs	4,312		4,312	
SACC Revenue		4,364	4,364	
Shared Services - Other LEA				58,000
	_____	_____	_____	_____
Total Operating Revenue:	4,312	4,364	8,676	58,000
Operating Expenses:				
Cost of Sales - Reimbursable Programs	23,085		23,085	
Cost of Sales - Non-Reimbursable Programs	1,772		1,772	
Salaries	27,398	5,414	32,812	48,643
Employee Benefits	4,583	414	4,997	2,015
General Supplies	2,686	144	2,830	
Depreciation	5,688		5,688	
	_____	_____	_____	_____
Total Operating Expenses	65,212	5,972	71,184	50,658
Operating Income (Loss)	(60,900)	(1,608)	(62,508)	7,342
Non-operating Revenues (Expenses):				
State Sources:				
State School Lunch Program	1,873		1,873	
Federal Sources:				
National School Lunch Program	36,662		36,662	
School Breakfast Program	13,540		13,540	
Food Distribution Program	5,150		5,150	
	_____	_____	_____	_____
Total Non-operating Revenues (Expenses)	57,225		57,225	
Income (Loss) Before Contributions & Transfers	(3,675)	(1,608)	(5,283)	7,342
Transfers In (Out)	20,895		20,895	
Change in Net Position	17,220	(1,608)	15,612	7,342
Total Net Position - Beginning	15,654	9,988	25,642	9,793
Total Net Position - Ending	\$ 32,874	\$ 8,380	\$ 41,254	\$ 17,135

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

MANNINGTON TOWNSHIP BOARD OF EDUCATION
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Business-Type Activities Enterprise Funds			Governmental Activities Internal Service Fund
	Food Service	SACC Program	Total Enterprise	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers	\$ 4,312	\$ 4,364	\$ 8,676	\$ 58,000
Payments to Employees	(27,398)	(5,414)	(32,812)	(48,643)
Payments for Employee Benefits	(4,583)	(414)	(4,997)	(2,015)
Payments to Suppliers	(3,136)	407	(2,729)	
Net Cash Provided by (Used for) Operating Activities	<u>(30,805)</u>	<u>(1,057)</u>	<u>(31,862)</u>	<u>7,342</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
State Sources	1,873		1,873	
Federal Sources	55,352		55,352	
Operating Transfer In-General Fund	20,895		20,895	
Net Cash Provided by (Used for) Non-capital Financing Activities	<u>78,120</u>		<u>78,120</u>	
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES				
Purchase of Fixed Assets	(23,395)		(23,395)	
Net Cash Provided by (Used for) Capital Financing Activities	<u>(23,395)</u>		<u>(23,395)</u>	
Net Increase (Decrease) in Cash and Cash Equivalents	23,920	(1,057)	22,863	7,342
Balances—Beginning of Year	2,681	8,593	11,274	9,793
Balances—End of Year	<u>\$ 26,601</u>	<u>\$ 7,536</u>	<u>\$ 34,137</u>	<u>\$ 17,135</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating Income (Loss)	\$ (60,900)	\$ (1,608)	\$ (62,508)	\$ 7,342
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Depreciation and Net Amortization	5,688		5,688	
(Increase) Decrease in Accounts Receivable, Net	4,186	496	4,682	
(Increase) Decrease in Inventory	(87)		(87)	
Increase (Decrease) in Accounts Payable	20,895		20,895	
Increase (Decrease) in Due to General	(107)		(107)	
Increase (Decrease) in Unearned Revenue	(480)	55	(425)	
Total Adjustments	<u>30,095</u>	<u>551</u>	<u>30,646</u>	
Net Cash Provided by (Used for) Operating Activities	<u>\$ (30,805)</u>	<u>\$ (1,057)</u>	<u>\$ (31,862)</u>	<u>\$ 7,342</u>

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

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1. DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

A. Reporting Entity:

The Mannington Township School District is a Type II District located in the County of Salem, State of New Jersey. As a Type II District, the School District functions independently through a Board of Education. The board is comprised of seven members elected to three-year terms. These terms are staggered so that two or three members' terms expire each year. The purpose of the District is to educate students in grades Pre K-8. The Mannington Township School District had an approximate enrollment at June 30, 2021 of 169.

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

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

Based on the aforementioned criteria, the District has no component units.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation:

The District's basic financial statements consist of District-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

District-wide Statements: The statement of net position and the statements of activities display information about the financial activities of the overall district, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of net position presents the financial condition of the governmental and business-type activities of the District at the fiscal year end while the statement of activities presents a comparison between direct expenses and program revenues for each different business-type activity of the District and for each function of the District's governmental activities.

- Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expenses—expenses of the District related to the administration and support of the District's programs, such as personnel and accounting—are not allocated to programs.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

A. Basis of Presentation: (continued)

- Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes and state formula aid, are presented as general revenues.

Fund Financial Statements: During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category – *governmental*, *proprietary*, and *fiduciary* – are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting.

B. Fund Accounting:

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

GOVERNMENTAL FUNDS

General Fund - The General Fund is the general operating fund of the District. It 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 State Department of Education, the District includes budgeted Capital Outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes 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.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

B. Fund Accounting: (continued)

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). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election. The district currently has no capital projects and, therefore, has not included a capital projects fund.

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.

PROPRIETARY FUNDS

The focus of Proprietary Fund measurement is upon determination of net income, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the Proprietary Funds of the District.

Enterprise Funds - The Enterprise Funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises -- where the intent of the District is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The District's Enterprise Fund is comprised of the Food Service Fund.

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (net position) is segregated into contributed capital and unreserved retained earnings, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net position.

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Food Service Fund - Equipment

12 Years

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

B. Fund Accounting: (continued)

FIDUCIARY FUNDS

Trust and Agency Funds - The Trust and Agency Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds.

Expendable Trust Fund - An Expendable Trust Fund is accounted for in essentially the same manner as the governmental fund types, using the same measurement focus and basis of accounting. Expendable Trust Funds account for assets where both the principal and interest may be spent. Expendable Trust Funds include Unemployment Compensation Insurance and Scholarship Funds, if any.

Nonexpendable Trust Fund - A Nonexpendable Trust Fund is used to account for assets held under the terms of a formal trust agreement, whereby the District is under obligation to maintain the trust principal. The District does not maintain a nonexpendable trust fund.

Agency Funds - Agency funds are used to account for the assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature and do not involve measurement of results of operations. Agency funds include payroll and student activities funds. This includes a Flexible Medical Spending Plan.

C. Basis of Accounting and Measurement Focus:

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements.

District-wide, Proprietary and Fiduciary Fund Financial Statements: The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; the enterprise fund and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as under the New Jersey State Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

C. Basis of Accounting and Measurement Focus: (continued)

In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board(GASB) and the pronouncements of the Financial Accounting Standards Board(FASB) and its predecessor organizations issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The District's proprietary funds have elected not to apply the standards issued by FASB after November 30, 1989. The accrual basis of accounting is used for measuring financial position and operating results of proprietary fund types and nonexpendable trust funds. Under this method, revenues are recognized in the accounting period in which they are earned and expenses are recognized when they are incurred.

D. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds, which are submitted to the county office. In accordance with P.L. 2011, c. 202, the School District passed a resolution to move the school board election to the first Tuesday after the first Monday in November, starting in November of 2012 and to be held simultaneously with the general election. As a result, a vote is not required on the School District's general fund tax levy for the budget year, other than the general fund tax levy required to support a proposal for additional funds, if any. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. 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:23A-16.2 (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:23A-13.3. The Board of Education did not make any material supplemental budgetary appropriations during the fiscal year.

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, which 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.

A reconciliation of the special revenue funds from the budgetary basis of accounting (as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General, Special Revenue and Debt Service Funds) to the GAAP basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types is shown on Exhibit C-2.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

E. Encumbrance Accounting:

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 reservations of fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the special revenue fund, for which the District has received advances, are reflected in the balance sheet as deferred revenues 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.

F. Tuition Receivable:

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

G. Tuition Payable:

Tuition charges for the fiscal years 2018-2019, 2019-2020, and 2020-2021 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

H. Short-Term Interfund Receivables/Payables:

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year.

I. Inventories and Prepaid Expenses:

Inventories and prepaid expenses, which benefit future periods, other than those recorded in the enterprise fund are recorded as expenditure during the year of purchase.

On District-wide financial statements and in the enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2021.

J. Assets, Liabilities and Equity:

Transactions

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year.

Inventories

On District-wide financial statements and in the enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method and is expended when used.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

J. Assets, Liabilities and Equity: (continued)

Prepaid expenses in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2021. At June 30, 2021, there was \$332 of supplies and \$571 of food in ending inventory in the Food Service Fund.

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1986, as revised) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of non-operating revenue in the financial statements. The District receives federal commodity food for meal service provided through a vended meal contract.

Capital Assets

General fixed assets acquired or constructed during the year are recorded at actual cost. Donated fixed assets are valued at their estimated fair market value on the date received. The general fixed assets acquired or constructed prior to June 30, 2021 are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. General fixed assets are reflected as expenditures in the applicable governmental funds, and the related assets are reported in the general fixed assets account group. Expenditures that enhance the asset or significantly extend the useful life of the asset are considered improvements and are added to the fixed asset's currently capitalized cost. The cost of normal repairs and maintenance are not capitalized. Assets in the general fixed assets account group are not depreciated.

Capital assets are depreciated in the District-wide financial statements using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
School Building	50
Building Improvements	20
Equipment	5-10

K. Compensated Absences:

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

In governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund that will pay for the compensated absences. The remainder of the compensated absences liability is reported in the District-wide Statement of Net Position. In proprietary and similar trust funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

L. Unearned Revenue:

Unearned revenue in the special revenue fund represents cash that has been received but not yet earned.

M. Operating Revenues and Expenses:

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the School District, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the enterprise fund.

N. Allocation of Indirect Expenses:

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are not reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

O. Extraordinary and Special Items:

Extraordinary items are transactions or events that are unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

P. Lease Acquisition Costs:

As part of any long-term lease agreement, providing for the use of school buildings, payments constituting professional lease acquisition and other related professional fees will be expensed when incurred in accordance with GASB Statement No. 65. There were no such leases for the year ended June 30, 2021.

Q. Fund Equity:

Contributed capital represents the amount of fund capital contributed to the proprietary funds from other funds. Reserves represent those portions of fund equity not available for appropriation for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

R. Comparative Data/Reclassifications:

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the District's financial position and operations. Also, certain immaterial amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

S. Management Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of revenues and expenditures/expenses during the reporting period. Accordingly, actual results could differ from those estimates.

T. Accrued Liabilities and Long-term Obligations:

All payables, accrued liabilities, and long-term obligations are reported on the District-wide financial statements. Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund.

U. Net Position:

Net Position represents the difference between assets and liabilities. Net investment in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net Position are 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. The School District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

V. Fund Balance Reserves:

The School District reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation or expenditure. Unreserved fund balance indicates that portion which is available for appropriation in future periods. A fund balance reserve has been established for encumbrances.

W. Revenues – Exchange and Non-exchange Transactions:

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means within sixty days of the fiscal year end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from income taxes is recognized in the period in which the income is earned. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

W. Revenues – Exchange and Non-exchange Transactions: (continued)

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or for the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered both measurable and available at fiscal year end: property taxes available as an advance, interest, and tuition.

X. New Accounting Standards:

The School District has adopted the following GASB statements:

- GASB No. 84 - *Fiduciary Activities*: The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of Statement will be effective for reporting periods beginning after December 15, 2019. The adoption of GASB 84 will impact the financial statements of the School District.
- GASB Statement - No. 90 - *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61*: The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. The adoption of GASB 90 did not impact the financial statements of the School District.

Other accounting standards that the School District is currently reviewing for applicability and potential impact on the financial statements include:

- GASB No. 87 - *Leases*: The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The requirements of Statement will be effective for reporting periods beginning after June 15, 2021. Management is evaluating the potential impact of the adoption of GASB 87 on the School District's financial statements.
- GASB No. 89 - *Accounting for Interest Cost Incurred before the End of a Construction Period*: The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Management is evaluating the potential impact of the adoption of GASB 89 on the School District's financial statements.
- GASB Statement - No. 91 – *Conduit Debt Obligations*: The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. Management is evaluating the potential impact of the adoption of GASB 91 on the School District's financial statements.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

X. New Accounting Standards: (continued)

- GASB Statement - No. 92 – *Omnibus 2020*: The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Management is evaluating the potential impact of the adoption of GASB 92 on the School District's financial statements.
- GASB Statement - No. 93 – *Replacement of Interbank Offered Rates*: The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Management is evaluating the potential impact of the adoption of GASB 93 on the School District's financial statements.
- GASB Statement - No. 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*: The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. Management is evaluating the potential impact of the adoption of GASB 94 on the School District's financial statements.
- GASB Statement - No. 96 – *Subscription-Based Information Technology Arrangements*: This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. Management is evaluating the potential impact of the adoption of GASB 96 on the School District's financial statements.
- GASB Statement - No. 97 – *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*: The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans); and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans). The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Management is evaluating the potential impact of the adoption of GASB 97 on the School District's financial statements.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents include petty cash, change funds, cash in banks and highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest.

Investments are stated at cost, or amortized cost, which approximates market. The Board classifies U.S. Treasury with Agency obligations and certificates of deposit, which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments stated at cost. All other investments are stated at fair value.

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

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or of any United States Bank for Cooperatives, which have a maturity date no greater than twelve months from the date of purchase.
- c. Bonds of other obligations of the school district.

School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund. As of June 30, 2018, the District had no funds on deposit with the New Jersey Cash Management.

Deposits: N.J.S.A. 17:9-41, et seq. establish requirements for the security of deposits of governmental units. The statutes require that school districts deposit public funds in public depositories secured in accordance with the Governmental Unit Deposit Protection Act, which is a multiple financial institution collateral pool enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution located in New Jersey, which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories.

Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office on the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to 5% of the average daily balance of collected public funds on deposit, 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 Governmental Units.

All collateral must be deposited with the Federal Reserve Bank of New York, the Federal Reserve Bank of Philadelphia, the Federal Home Loan Bank of New York, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

The School District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the Governmental Unit Deposit Protection Act and approves a list of authorized depository institutions based on an evaluation of solicited responses and presentation of GUDPA certifications provided by the financial institutions.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONT'D)

Custodial Credit Risk: Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits may not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 t seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local government agencies. The program is administered by the Commissioner of the NJ Department of Banking and Insurance. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. As of June 30, 2021, the School District's bank balance of \$2,469,872 was subject to custodial credit risk as follows:

Insured by Depository Insurance	\$ 250,000
Collateralized under GUDPA	<u>2,219,872</u>
Total	\$ <u>2,469,872</u>

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

Credit Risk - Credit risk is the risk that an issuer of an investment will not fulfill its obligations. The District does not have a policy that restricts investment choices beyond Title 18A:20-37.

As of June 30, 2021, cash and cash equivalents in the fund financial statements of the District consisted of the following:

	Cash and Cash Equivalents
Checking Accounts	\$ <u>2,330,157</u>

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Township of Mannington Board of Education by inclusion of \$1,000 on September 12, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 4. CAPITAL RESERVE ACCOUNT (CONT'D)

The activity of the capital reserve for the July 1, 2020 to June 30, 2021 fiscal year is as follows:

Beginning Balance, July 1, 2020	\$ 1,123,789
Interest Earnings	253
Deposits - Approved by Resolution	200,000
Withdrawals	<u>(138,704)</u>
Ending Balance, June 30, 2021	<u>\$ 1,185,338</u>

The balance in Capital Reserve at June 30, 2021 is to be within the LRFPP maximum balance of local support costs of uncompleted capital projects.

NOTE 5. OPERATING LEASES

The District leases copiers and a mailing system under operating leases. The terms of the contracts call for monthly or quarterly payments. The District has the following lease payments remaining for their copiers:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 4,790
2023	4,790
2024	4,790
2025	4,790
2026	<u>3,992</u>
	<u>\$ 23,151</u>

The District has the following lease payments remaining for their mailing system:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	<u>830</u>
Total	<u>\$ 830</u>

The total operating lease payments made during the year ended June 30, 2021 were \$6,512.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 6. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021 was as follows:

	<u>Beginning Balance 7/1/20</u>	<u>Additions</u>	<u>Adjustment/ Retirements</u>	<u>Ending Balance 6/30/21</u>
Governmental Activities:				
Capital Assets that are not being Depreciated:				
Land	\$ 6,207	\$ -	\$ -	\$ 6,207
Construction in Progress	25,590		(25,590)	-
Total Capital Assets not being Depreciated	<u>31,797</u>	<u>-</u>	<u>(25,590)</u>	<u>6,207</u>
Land Improvements	221,906	44,352		266,258
Building and Building Improvements	2,684,410	106,910	18,276	2,809,596
Machinery and Equipment	274,993	9,327		284,320
Totals at Historical Cost	<u>3,181,309</u>	<u>160,589</u>	<u>18,276</u>	<u>3,360,174</u>
Less Accumulated Depreciation for:				
Land Improvements	(21,144)	(11,867)		(33,011)
Building and Improvements	(1,867,661)	(115,411)	2,500	(1,980,572)
Equipment	(136,421)	(16,538)		(152,959)
Total Accumulated Depreciation	<u>(2,025,226)</u>	<u>(143,816)</u>	<u>2,500</u>	<u>(2,166,542)</u>
Total Capital Assets being Depreciated, Net of Accumulated Depreciation	<u>1,156,083</u>			<u>1,193,632</u>
Government Activities Capital Assets, Net	<u>\$ 1,187,880</u>	<u>\$ 16,773</u>	<u>\$ (4,814)</u>	<u>\$ 1,199,839</u>
	To A-1			To A-1
Business-type Activities - Equipment	\$ 13,345	\$ 23,395	\$ -	\$ 36,740
Less Accumulated Depreciation	(5,554)	(5,688)		(11,242)
Business-type Activities Capital Assets, Net	<u>\$ 7,791</u>	<u>\$ 17,707</u>	<u>\$ -</u>	<u>\$ 25,498</u>
Depreciation expense was charged to governmental functions as follows:				
Instruction:				
Regular		\$ 82,306		
Special Education		3,437		
Other Instruction		489		
Support Services:				
Student & Instruction Related Services		22,665		
School Administration		9,147		
General & Business Administrative Services		4,616		
Central Services		5,983		
Plant Operations and Maintenance		15,173		
Total Depreciation Expense		<u>\$ 143,816</u>		

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 7. ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2021 consisted of accounts (fees) and intergovernmental grants. All receivables are considered collectable in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds.

Accounts receivable as of fiscal year-end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

	<u>General Fund</u>	<u>Enterprise Fund</u>	<u>Special Revenue Fund</u>
Receivables:			
Intergovernmental	\$ 14,766	\$ 4,366	\$ 156,295
Other	145,872	1,203	
	<u>\$ 160,638</u>	<u>\$ 5,569</u>	<u>\$ 156,295</u>

NOTE 8. LONG-TERM OBLIGATIONS

During the fiscal year ended June 30, 2021, the following changes occurred in long-term obligations:

	<u>Beginning Balance 7/1/20</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance 6/30/21</u>	<u>Amounts Due within One Year</u>	<u>Long-term Portion</u>
Governmental Activities:						
Serial Bonds	\$ 855,000	\$	\$ 140,000	\$ 715,000	\$ 145,000	\$ 570,000
Compensated absences payable	69,104	9,162		78,266	1,890	76,376
Net Pension Liability	491,055		150,850	340,205		340,205
Total Long-term Obligations	<u>\$ 1,415,159</u>	<u>\$ 9,162</u>	<u>\$ 290,850</u>	<u>\$ 1,133,471</u>	<u>\$ 146,890</u>	<u>\$ 986,581</u>

A. Bonds Payable - On April 12, 2017 the Bonds Payable issued on March 1, 2006 in the amount of \$1,400,000 were refunded.

Principal and interest due on bonds outstanding is as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 145,000	\$ 13,799	\$ 158,799
2023	145,000	11,001	156,001
2024	140,000	8,203	148,203
2025	145,000	5,501	150,501
2026	140,000	2,702	142,702
	<u>\$ 715,000</u>	<u>\$ 41,205</u>	<u>\$ 756,205</u>

B. Bonds Authorized But Not Issued - As of June 30, 2021, the District had no bonds authorized but not issued.

C. Capital Leases - As of June 30, 2021, the District had no Capital Leases.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 9. MAINTENANCE RESERVE

As of June 30, 2021, the balance in the maintenance reserve is \$155,795. The only change in the 2020-21 fiscal year was interest income of \$10.

NOTE 10. PENSION PLANS

Description of Plans - Eligible employees of the School District can be covered by Public Employees' Retirement System (PERS), Teachers' Pension and Annuity Fund (TPAF), or Defined Contribution Retirement Program (DCRP). PERS and TPAF are administered by the New Jersey Division of Pension and Benefits (NJDPB) and the DCRP is jointly administered by Prudential and NJDPB. The NJDPB issues publicly available financial reports that include financial statements and required supplementary information for the systems. These reports may be obtained online at <https://www.nj.gov/treasury/pensions/financial-reports.shtml>.

Public Employees' Retirement System

The PERS is a cost sharing multiple-employer defined benefit pension plan that was established in 1955. The PERS provides retirement, death and disability, and medical benefits to qualified members. The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A. All benefits vest after ten years of service, except for medical benefits that vest after 25 years of service or under the disability provisions of PERS.

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 with 25 years or more of service credit before age 62, and tier 5 with 30 years or more 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.

The following represents the membership tiers for PERS:

Tier	Definition
1	Members who are 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.

Contributions - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The PERS member total contribution rate as of July 1, 2019 was 7.5% of base salary. The District employees' contributions for the year ended June 30, 2021 were 17,741. Employers in PERS are required to contribute at an actuarially determined rate which includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. The PERS employer rate due in 2021 is 15.11% of covered payroll. The District is billed annually for its normal contribution plus any accrued liability. These contributions were paid by the District and equal to the required contributions for each year. The District's contributions to PERS for the years ended June 30, 2021, and 2020, were \$22,822 and \$26,618 respectively. The total payroll for the year ended June 30, 2021 was \$1,894,137. Payroll covered by PERS was \$226,978 for fiscal year 2021.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 10. PENSION PLANS (CONT'D)

Public Employees' Retirement System (continued)

Components of Net Pension Liability - At June 30, 2021, the District's proportionate share of the PERS net pension liability was \$340,205. The net pension liability was measured as of June 30, 2020. The District's proportion of the net pension liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2020. The District's proportion measured as of June 30, 2020 was 0.002086% which was a decrease of 0.00064% from its proportion measured as of June 30, 2019.

Pension Expense and Deferred Outflows/Inflows of Resources - The District's 2021 PERS pension expense, with respect to GASB 68, was \$(87,766). The District's 2021 deferred outflows of resources and deferred inflows of resources were from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,195	\$ 1,203
Changes of assumptions	11,037	142,447
Net difference between projected and actual earnings on pension plan investments	11,628	
Changes in proportion		269,948
Contributions subsequent to the measurement date	22,822	
Total	\$ 51,682	\$ 413,598

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

<u>Year</u>		<u>PERS</u>
2021	\$	(159,020)
2022		(113,594)
2023		(68,312)
2024		(37,942)
2025		(5,870)
Thereafter		
Total	\$	(384,738)

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 10. PENSION PLANS (CONT'D)

Public Employees' Retirement System (continued)

Additional Information - Collective Balances at June 30, 2021 and 2020 are as follows:

Year	2021	2020
Collective deferred outflows of resources	\$ 51,682	\$ 84,466
Collective deferred inflows of resources	\$ 413,598	\$ 402,323
Collective Net Pension Liability	\$ 340,205	\$ 491,055
District's Proportion	0.002086%	0.002725%

Actuarial Assumptions - The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	<u>PERS</u>
Investment Rate of Return	7.00%
Salary Scale (Based on Age):	
Through 2026	2.00% - 6.00%
Thereafter	3.00% - 7.00%
Inflation Rate – Price	2.75%
Inflation Rate – Wage	3.25%

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-2019.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 10. PENSION PLANS (CONT'D)

Public Employees' Retirement System (continued)

Long-Term Expected Rate of Return – In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment 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, 2020 are summarized in the following table:

Asset Class	PERS Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	27.00%	7.71%
Non-U.S. Developed Markets Equity	13.50%	8.57%
Emerging Markets Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%
Total	100.00%	

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. 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 and the nonemployer contributing entity will be based on 78% 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 all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 10. PENSION PLANS (CONT'D)

Public Employees' Retirement System (continued)

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate - The following presents the collective net pension liability of the participating employers as of June 30, 2020, calculated using the discount rate as disclosed above, as well as what the collective 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:

	<u>1% Decrease</u> (6.00%)	<u>Current</u> <u>Discount</u> (7.00%)	<u>1% Increase</u> (8.00%)
District's Proportionate Share of the Net Pension Liability	\$ <u>431,629</u>	\$ <u>340,205</u>	\$ <u>267,574</u>

Teachers' Pension and Annuity Fund

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 that was established in 1955. As under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

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. 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 are 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.

Special Funding Situation - 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, these local participating employers are 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 local participating employers do 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. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 10. PENSION PLANS (CONT'D)

Teachers' Pension and Annuity Fund (continued)

Contributions - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. The member contribution rate was 7.5% in as of July 1, 2019. 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 2019, the State's pension contribution was less than the actuarial determined amount. Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the District and all other related non-contributing employers. No normal or accrued liability contribution by the District has been required over several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, Accounting and Financial Reporting for Pensions. The District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2021 because of the 100% special funding situation with the State of New Jersey.

During the fiscal year ended June 30, 2021, the State of New Jersey contributed \$385,838 to the TPAF for pension contributions, \$120,916 for post-retirement benefits on behalf of the School, and \$410 for long-term disability. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$110,025 during the year ended June 30, 2021 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

Components of Net Pension Liability - At June 30, 2021, the District was not required to report a liability for its proportionate share of the net pension liability because of a 100% reduction for State of New Jersey pension support provided to the District.

Pension Expense - For the year ended June 30, 2021, the District recognized pension expense of \$467,432 and revenue of \$467,432 for support provided by the State.

Actuarial Assumptions - The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	<u>TPAF</u>
Investment Rate of Return	7.00%
Salary Scale (Based on Age):	
Through 2026	1.55% - 4.45%
Thereafter	2.75% - 5.65%
Inflation Rate – Price	2.75%
Inflation Rate – Wage	3.25%

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 10. PENSION PLANS (CONT'D)

Teachers' Pension and Annuity Fund (continued)

Long-Term Expected Rate of Return - Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2020 are summarized in the following table:

Asset Class	TPAF Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	27.00%	7.71%
Non-U.S. Developed Markets Equity	13.50%	8.57%
Emerging Markets Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%
Total	100.00%	

Discount Rate - The discount rate used to measure the total pension liability was 5.40% as of June 30, 2020. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.21% as of June 30, 2020 based on 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. 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 based on 78% 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 through 2062. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2062 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 10. PENSION PLANS (CONT'D)

Teachers' Pension and Annuity Fund (continued)

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate - The following presents the collective net pension liability of the participating employers as of June 30, 2020, calculated using the discount rate as disclosed above, as well as what the collective 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:

	<u>1% Decrease</u> <u>(4.40%)</u>	<u>Current</u> <u>Discount</u> <u>(5.40%)</u>	<u>1% Increase</u> <u>(6.40%)</u>
State's Share of the Net Pension Liability associated with the District	\$ 8,848,865	\$ 7,516,885	\$ 6,441,134
State's Share of the Net Pension Liability	\$ <u>77,517,093,055</u>	\$ <u>65,993,498,688</u>	\$ <u>56,425,087,777</u>

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program (DCRP) is a multiple-employer defined contribution pension fund that was established in 2007 under the provisions of N.J.S.A 43:15C-1. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and long-term disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et seq.

The following represents the individuals eligible for membership in the DCRP:

Eligibility

1. State or Local Officials who are elected or appointed on or after July 1, 2007
2. Employees enrolled in the PERS or TPAF on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits
3. Employees enrolled in the PFRS or SPRS after May 21, 2010, who earn salary in excess of established "maximum compensation" limits
4. 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
5. 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

Contributions – The contribution policy is set by N.J.S.A 43:15C-3 and requires contributions by active members and contributing employers. Plan members are required to contribute 5.5% of their base salary and the District's employer match is an additional 3% contribution. For the year ended June 30, 2021, employee contributions totaled \$718 and the District's employer contribution, recognized in pension expense, was \$529. There were no forfeitures during the fiscal year.

Pension Plan Fiduciary Net Position - Detailed information about each pension plan's fiduciary net position is available in the separately issued New Jersey Division of Pension and Benefits financial report. Information on where to obtain the report is indicated at the beginning of this note.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

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.

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 are the responsibility of the individual local education employers.

Special Funding Situation

The participating local education employer allocations included in the supplemental Schedule of special funding amounts by employer are provided as each local education employer is required to record in their financial statements, as an expense and corresponding revenue, their respective amount of total OPEB expense attributable to the State of New Jersey under the special funding situation and to include their respective amount of total OPEB liability in their notes to their financial statements. The total OPEB liability and service cost for each employer was determined separately based on actual data for each employer's participants.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)

Total OPEB Liability

The State of New Jersey's total OPEB liability, as of the measurement date of June 30, 2020, was \$67,809,962,608. Of this amount, the total OPEB liability attributable to the School District was \$10,213,700. The State of New Jersey's proportionate share of the total OPEB liability is 100%, including the proportion attributable to the School District of 0.01506%. The total OPEB liability for the School District measured as of June 30, 2020 is zero as a result of the Special Funding Situation with the State of New Jersey. The School District's proportionate share of the total OPEB liability measured as of June 30, 2020 is 0.00%. Accordingly, the School District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position.

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020. 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:

	TPAF/ABP	PERS	PFRS
Inflation Rate	2.50%	2.50%	2.50%
	Based on	Based on	Based on
Salary Increases:	Service Years	Service Years	Service Years
Through 2026	1.55% - 4.45%	2.00% - 6.00%	3.25% - 15.25%
Thereafter	1.55% - 4.45%	3.00% - 7.00%	Applied to all future years

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-2020. 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-2020. 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-2020.

The actuarial assumptions used in the June 30, 2019 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.

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2021 through 2022 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.0% and decreases to a 4.5% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)

Discount rate

The discount rate for June 30, 2020 was 2.21%. 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.

Changes in the Total OPEB Liability

State of New Jersey	<u>Total OPEB Liability</u>
Balance as of June 30, 2019 Measurement Date	\$ <u>41,729,081,045</u>
Changes for the year:	
Service Cost	1,790,973,822
Interest	1,503,341,357
Changes of Benefit Terms	
Differences between Expected and Actual experience	11,544,750,637
Changes of Assumptions	12,386,549,981
Benefit Payments	35,781,384
Contributions from Members	<u>(1,180,515,618)</u>
Net Changes	<u>26,080,881,563</u>
Balance as of June 30, 2020 Measurement Date	\$ <u><u>67,809,962,608</u></u>

Sensitivity of Total Nonemployer OPEB Liability to changes in the discount rate:

The following presents the total nonemployer OPEB liability as of June 30, 2020, respectively, 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:

June 30, 2020		
At 1.00% Decrease 2.50%	At Discount Rate 3.50%	At 1.00% Increase 4.50%
\$ 81,748,410,002	67,809,962,608	56,911,439,160

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, 2020, 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, 2020		
1.00% Decrease	Healthcare Cost Trend Rate	1.00% Increase
\$ 54,738,488,540	67,809,962,608	83,375,182,975

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)

OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the School District recognized OPEB expense of \$381,742. The School District reported deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 1,550,706	\$ 1,381,313
Changes of Assumptions	1,737,317	1,165,441
Net difference Between Projected and Actual Earnings on OPEB Plan Investments		
Changes in Proportion	120,993	658,207
Contributions Subsequent to the Measurement Date		
Total	\$ 3,409,016	\$ 3,204,961

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

Measurement Period Ending June 30,		OPEB
2021	\$	(72,760)
2022		(72,760)
2023		(72,760)
2024		(72,760)
2025		(72,760)
Thereafter		567,855
Total	\$	204,055

NOTE 12. COMPENSATED ABSENCES

The School District accounts for compensated absences as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences". 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 employees earn the rights to the benefits.

District employees are granted varying amounts 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's policy permits employees to accumulated unused sick leave and carry forward the full amount to subsequent years. Upon retirement employees shall be paid by the District for the unused sick leave in accordance with the District's agreement with the various employee unions.

In the district wide-Statement of Net Position, the liabilities whose average maturities are greater than one year should be reported in two components-the amount due within one year and the amount due in more than one year.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 12. COMPENSATED ABSENCES (CONT'D)

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2021, there was no liability for compensated absences in the Food Service Fund.

NOTE 13. DEFERRED COMPENSATION

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

Lincoln Investments
Voya

NOTE 14. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2021:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 145,872	\$
Special Revenue Fund		143,372
Food Service Fund		2,500
Total	\$ 145,872	\$ 145,872

NOTE 15. RISK MANAGEMENT

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

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

NOTE 16. FUND BALANCE APPROPRIATED

General Fund - Of the \$2,405,027 General Fund balance at June 30, 2021, \$1,185,338 is restricted for Capital Reserve; \$17,704 is assigned for Encumbrances; \$155,795 was restricted as Maintenance Reserve; \$834,252 was restricted as excess surplus at June 30, 2021 in accordance with N.J.S.A. 18A:7F-7; of which \$403,489 has been appropriated and included as anticipated revenue for the year ending June 30, 2022; \$0 has been appropriated and included as anticipated revenue for the year ending June 30, 2022; and \$211,938 is unreserved and undesignated.

Debt Service Fund -The unrestricted and undesignated Debt Service fund balance at June 30, 2021 is \$39.

NOTE 17. CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2005, c.73 (S1701), the designation for Reserved Fund Balance -- Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). 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 surplus fund balance at June 30, 2021 is \$834,252, of which \$403,489 must be budgeted in the 2021-2022 budget and \$430,763 must be budgeted in the 2022-2023 budget.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 18. LITIGATION

The District is from time to time involved in claims and lawsuits incidental to its operations. Per confirmation by the District's legal counsel, there are no pending litigations, claims, assessments of contingent liability against the District.

NOTE 19. TAX ABATEMENT

As defined by the Governmental Accounting Standards Board (GASB), 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 NJSA 54:4-75 and NJSA 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 NJSA 18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth.

NOTE 20. DEFICIT FUND BALANCES

The District has a deficit fund balance in the Special Revenue Fund of \$33,891 as of June 30, 2021 as reported in the fund statements (modified accrual basis). P.L. 2003, c.97 provides that in the event a state school aid payment is not made until the following school year, districts must record the last state aid payment as revenue, for budgeted purposes only, in the current budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year.

For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry i.e. if one government recognizes as asset, the other government recognizes a liability. Since the state is recording the last state aid payment in the subsequent fiscal year, the school district cannot recognize the last state aid payment on the GAAP financial statements until the year the state records the payable. Due to the timing difference of recording the last state aid payment, the Special Revenue Fund does not alone indicate that the district is facing financial difficulties. The deficit of \$33,891 is equal to the 19th and 20th payments received in July 2021.

NOTE 21. MAINTENANCE RESERVE ACCOUNT

New Jersey Statute 18A:7G-9 permits school districts to accumulate funds for the required maintenance of a facility in accordance with EFCFA. The balance may only be increased through an appropriation in the annual general fund budget certified for taxes. Upon completion of a school facilities projects, districts are required to submit a plan for maintenance of that facility. The activity of the maintenance reserve for the July 1, 2020 to June 30, 2021 fiscal year is as follows:

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 21. MAINTENANCE RESERVE ACCOUNT (CONT'D)

Beginning Balance July 1, 2020	\$	155,795
Withdrawn		
Added		
Ending Balance June 30, 2021	\$	155,795

NOTE 22. PRIOR YEAR ADJUSTMENT

GASB 84, *Fiduciary Activities*, was implemented during the fiscal year June 30, 2021. As part of this implementation, the Student Activities Fund is reported in the Special Revenue Fund. The ending balances as of June 30, 2020 were restated due to the implementation as follows:

	Balance June 30, 2020 as Previously Reported	Retroactive Adjustments	Balance June 30, 2020 Restated
Statement of Net Activities - Governmental Activities			
Net Position	\$ 1,692,301	\$ 12,328	\$ 1,704,629
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds:			
General Fund	2,223,361	-	2,223,361
Special Revenue	(26,916)	12,328	(14,588)
Statement of Changes in Fiduciary Net Position - Fiduciary Funds:			
Student Activities	12,328	(12,328)	

NOTE 23. SUBSEQUENT EVENTS

There were no other events noted, between the year-end and the date of the audit report, requiring disclosure.

End of Notes to Financial Statements

REQUIRED SUPPLEMENTARY INFORMATION – PART II

BUDGETARY COMPARISON SCHEDULES

MANNINGTON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 2,912,390	\$	\$ 2,912,390	\$ 2,912,390	\$
Tuition from Individuals	80,070		80,070	93,324	13,254
Interest on Capital Reserve	500		500	253	(247)
Interest on Maintenance Reserve	10		10	10	
Interest on Investments				472	472
Miscellaneous	1,420		1,420	1,854	434
Total - Local Sources	2,994,390		2,994,390	3,008,303	13,913
State Sources:					
Equalization Aid	33,846		33,846	33,846	
Categorical Transportation Aid	117,432		117,432	117,432	
Categorical Special Education Aid	106,577		106,577	106,577	
Categorical Security Aid	29,905		29,905	29,905	
Adjustment Aid	147,375		147,375	147,375	
On-Behalf TPAF Post Retirement Medical Contrib (non-budgeted)				120,916	120,916
On-Behalf TPAF Long-Term Disability Contrib (non-budgeted)				410	410
On-Behalf TPAF Pension Contribution (non-budgeted)				385,838	385,838
Reimbursement TPAF Social Security (non-budgeted)				110,025	110,025
Total - State Sources	435,135		435,135	1,052,324	617,189
Federal Sources:					
Total - Federal Sources					
TOTAL REVENUES	3,429,525		3,429,525	4,060,627	631,102
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Preschool	40,000	8,951	48,951	39,536	9,415
Local Contrib. - Trans to Special Rev - Inclusion	25,634	(25,634)			
Kindergarten	99,500		99,500	86,418	13,082
Grades 1-5	488,000	41,054	529,054	522,222	6,832
Grades 6-8	322,000	16,768	338,768	338,768	
Regular Programs - Home Instruction:					
Salaries of Teachers	4,000		4,000		4,000
Purchased Professional-Educational Services	3,000		3,000		3,000
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	3,000	4,522	7,522	5,422	2,100
Purchased Professional-Educational Services	30,270	(16,498)	13,772	3,286	10,486
Purchased Technical Services	25,000	(7,600)	17,400	2,655	14,745
Other Purchased Services	49,000	5,000	54,000	27,019	26,981
General Supplies	67,750	2,366	70,116	45,157	24,959
Textbooks	10,000		10,000		10,000
Other Objects	1,000	380	1,380	15	1,365
Total Regular Programs - Instruction	\$ 1,168,154	\$ 29,309	\$ 1,197,463	\$ 1,070,498	\$ 126,965

MANNINGTON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
EXPENDITURES:					
Special Education - Instruction:					
Resource Room/Resource Center					
Salaries of Teachers	\$ 123,000	\$ 54,845	\$ 177,845	\$ 177,845	
General Supplies	3,000	(2,334)	666	225	441
Total Resource Room/Resource Center	<u>126,000</u>	<u>52,511</u>	<u>178,511</u>	<u>178,070</u>	<u>441</u>
Total Special Education - Instruction	<u>126,000</u>	<u>52,511</u>	<u>178,511</u>	<u>178,070</u>	<u>441</u>
Basic Skills/Remedial - Instruction					
Salaries of Teachers					
Total Basic Skills/Remedial - Instruction					
School Sponsored Co-curricular Activities					
Purchased Services	500		500		500
Other Objects	5,000		5,000	800	4,200
Total School Sponsored Co-curricular Activities	<u>5,500</u>		<u>5,500</u>	<u>800</u>	<u>4,700</u>
Total Instruction	<u>1,299,654</u>	<u>81,820</u>	<u>1,381,474</u>	<u>1,249,368</u>	<u>132,106</u>
Undistributed Expenditures:					
Instruction					
Tuition - Other LEAs Within the State - Regular	267,249		267,249	267,249	
Tuition - Other LEAs Within the State - Special	35,937		35,937	19,937	16,000
Tuition - County Voc. School Dist. - Regular	181,580		181,580	181,580	
Tuition - CSSD & Reg. Day Schools	154,664		154,664	109,488	45,176
Tuition - Private Schools/Disabled Within State	64,890	(31,836)	33,054		33,054
Total Instruction	<u>704,320</u>	<u>(31,836)</u>	<u>672,484</u>	<u>578,254</u>	<u>94,230</u>
Attendance and Social Work Services:					
Salaries	4,000		4,000	3,136	864
Total Attendance and Social Work Services	<u>\$ 4,000</u>	<u>\$</u>	<u>\$ 4,000</u>	<u>\$ 3,136</u>	<u>\$ 864</u>

MANNINGTON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

EXPENDITURES: (Continued)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Favorable (Unfavorable)
Undistributed Expenditures: (Continued)					
Health Services:					
Salaries	\$ 63,000	\$ 1,916	\$ 64,916	\$ 52,420	\$ 12,496
Purchased Professional/Technical Services	3,750	(1,150)	2,600	2,500	100
Supplies and Materials	2,000		2,000	988	1,012
Total Health Services	68,750	766	69,516	55,908	13,608
Speech, OT, PT and Related Services:					
Purchased Professional/Educational Services	60,000	9,940	69,940	69,940	
Total Speech, OT, PT and Related Services:	60,000	9,940	69,940	69,940	
Other Support Services - Extraordinary Services					
Salaries	49,500	(20,012)	29,488	29,488	
Purchased Professional/Educational Services	500	(500)			
Total Other Support Services - Extraordinary Services	50,000	(20,512)	29,488	29,488	
Guidance					
Salaries of Other Professional Staff					
Supplies and Materials					
Total Other Support Serv-Guidance					
Other Support Services-Students-Child Study Teams:					
Salaries of Secretarial and Clerical Assistants	2,000		2,000	1,555	445
Purchased Professional/Educational Services	38,101	969	39,070	7,561	31,509
Miscellaneous Purchased Services	200		200		200
Supplies and Materials	200		200		200
Total Other Support Serv-Students-Special Services	40,501	969	41,470	9,116	32,354
Improvement of Instruction Services:					
Salaries of Other Professional Staff	10,000	(5,000)	5,000	1,050	3,950
Salaries of Other Secretarial and Clerical Assistants	2,000		2,000	1,555	445
Purchased Professional Educational Services	13,500	4,050	17,550	14,784	2,766
Other Purchased Services	2,000	(1,650)	350		350
Total Improvement of Instruction Services	27,500	(2,600)	24,900	17,389	7,511
Educational Media Services/School Library:					
Salaries	12,500		12,500	1,000	11,500
Salaries of Technology Coordinators		7,600	7,600	7,083	517
Purchased Professional/Technical Services	1,500		1,500	907	593
Supplies and Materials	2,500		2,500	595	1,905
Total Educational Media Services/School Library	\$ 16,500	\$ 7,600	\$ 24,100	\$ 9,585	\$ 14,515

MANNINGTON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
EXPENDITURES: (Continued)					
Undistributed Expenditures: (Continued)					
Instructional Staff Training Services:					
Other Salaries	\$ 750	\$ (750)	\$	\$	
Purchased Professional/Educational Services	2,516	4,514	7,030	3,061	3,969
Other Purchased Services	5,148	600	5,748	5,709	39
Total Instructional Staff Training Services	8,414	4,364	12,778	8,770	4,008
Support Services - General Administration:					
Salaries	38,000	1,780	39,780	32,740	7,040
Legal Fees	8,000		8,000	651	7,349
Audit Fees	13,500		13,500	12,355	1,145
Other Purchased Professional Services	5,000		5,000	1,290	3,710
Communications/Telephone	10,200	(1,200)	9,000	6,756	2,244
Other Purchased Services	10,560	1,200	11,760	9,633	2,127
General Supplies	1,000	138	1,138	169	969
BOE In-House Training/Meeting Supplies	250		250	110	140
Miscellaneous Expenditures	2,000	35	2,035	1,638	397
BOE Membership Dues and Fees	3,000	(300)	2,700	2,380	320
Total Support Services - General Administration	91,510	1,653	93,163	67,722	25,441
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	78,500		78,500	65,559	12,941
Salaries of Secretarial/Clerical Assistants	24,500		24,500	19,433	5,067
Supplies and Materials	1,000	300	1,300	1,238	62
Total Support Services - School Administration	104,000	300	104,300	86,230	18,070
Central Services:					
Salaries	63,500	535	64,035	54,213	9,822
Purchased Technical Services	15,500	(1,000)	14,500	13,102	1,398
Miscellaneous Purchased Services	1,000	500	1,500	1,209	291
Supplies and Materials	1,000	500	1,500	1,436	64
Miscellaneous Expenditures	1,000		1,000	917	83
Total Central Services	\$ 82,000	\$ 535	\$ 82,535	\$ 70,877	\$ 11,658

MANNINGTON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
EXPENDITURES: (Continued)					
Undistributed Expenditures: (Continued)					
Operation and Maintenance of Plant Services:					
Required Maintenance for School Facilities:					
Increase in Maintenance Reserve					
Salaries	\$ 44,000	\$	\$ 44,000	\$ 43,808	\$ 192
Cleaning, Repair and Maintenance Services	42,000	724	42,724	32,126	10,598
Lead Testing of Drinking Water	1,000	(724)	276	275	1
General Supplies	7,500	530	8,030	6,490	1,540
Total Required Maintenance for School Facilities	94,500	530	95,030	82,699	12,331
Undistributed Expenditures - Custodial Services					
Salaries	8,000	10,000	18,000	15,071	2,929
Salaries of Non- Instructional Aides	6,500		6,500		6,500
Purchased Professional/Technical Services	10,000		10,000	7,824	2,176
Cleaning, Repair and Maintenance Services	49,447	(9,447)	40,000	5,159	34,841
Insurance	14,000		14,000	13,455	545
Miscellaneous Purchased Services	1,000		1,000	510	490
General Supplies	12,000		12,000	2,802	9,198
Energy (Natural Gas)	30,000		30,000	18,039	11,961
Energy (Electricity)	35,000		35,000	27,666	7,334
Other Objects	250		250	123	127
Total Other Operation and Maint. of Plant Services	166,197	553	166,750	90,649	76,101
Total Operation and Maintenance of Plant Services	260,697	1,083	261,780	173,348	88,432
Student Transportation Services:					
Sal. For Pupil Trans (Bet Home & School)- Reg	3,250		3,250	3,019	231
Other Purchased Prof. And Technical Serv.	1,000		1,000		1,000
Contracted Serv. - Aid in Lieu of Payments- Non Pub	9,100		9,100	1,733	7,367
Contracted Services (Home/School) Vendors	185,000		185,000	143,698	41,302
Contracted Services (Not Home/School) Vendors	5,000	138	5,138	100	5,038
Contracted Services (Regular Students) ESC's	45,000		45,000	28,095	16,905
Contracted Services (Special Education) ESC's	45,000		45,000	25,196	19,804
Total Student Transportation Services	293,350	138	293,488	201,841	91,647
Unallocated Benefits:					
Social Security Contributions	30,000		30,000	23,865	6,135
Other Retirement Contributions - PERS	30,000		30,000	23,351	6,649
Unemployment Compensation	9,000		9,000	7,183	1,817
Workmen's Compensation	25,000		25,000	19,563	5,437
Health Benefits	491,223	(48,077)	443,146	378,508	64,638
Tuition Reimbursement	8,000		8,000		8,000
Other Employee Benefits	40,000		40,000	21,918	18,082
Total Unallocated Benefits	633,223	(48,077)	585,146	474,388	110,758
On-Behalf TPAF Post Retiremt. Medical Contrib.(non-budgeted)				120,916	(120,916)
On-Behalf TPAF Long-Term Disability Contrib (non-budgeted)				410	(410)
On-Behalf TPAF Pension Contribution (non-budgeted)				385,838	(385,838)
Reimbursed TPAF Soc. Sec. Contrib. (non-budgeted)				110,025	(110,025)
Total Undistributed Expenditures	2,444,765	(75,677)	2,369,088	2,473,181	(104,093)
Interest Earned on Maintenance Reserve	10		10		10
TOTAL EXPENDITURES - CURRENT EXPENSE	\$ 3,744,429	\$ 6,143	\$ 3,750,572	\$ 3,722,549	\$ 28,023

MANNINGTON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
CAPITAL OUTLAY:					
Interest Deposit to Capital Reserve	\$	\$	\$	\$	\$
Equipment					
Undistributed Expenditures - Instruction		4,564	4,564	4,564	
Undistributed Expenditures - Required Maintenance					
		<hr/>	<hr/>	<hr/>	
		4,564	4,564	4,564	
		<hr/>	<hr/>	<hr/>	
Facilities Acquisition and Construction Services:					
Required Maintenance for School Facilities					
		<hr/>	<hr/>	<hr/>	
Total Facilities Acquisition and Construction Services					
Interest Deposit to Capital Reserve	500		500		500
TOTAL CAPITAL OUTLAY	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	500	4,564	5,064	4,564	500
TOTAL EXPENDITURES	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	3,744,929	10,707	3,755,636	3,727,113	28,523
Excess (Deficiency) of Revenues and Other Over (Under) Expenditures	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	(315,404)	(10,707)	(326,111)	333,514	659,625
Other Financing Sources (uses):					
Capital Reserve Transfer to Capital Projects Fund		(138,704)	(138,704)	(138,704)	
Transfer to Food Service	(10,000)	(20,895)	(30,895)	(20,895)	10,000
	<hr/>	<hr/>	<hr/>	<hr/>	
Total Other Financing Sources	(10,000)	(159,599)	(169,599)	(159,599)	10,000
Excess (deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	(325,404)	(170,306)	(495,710)	173,915	669,625
Fund Balances, July 1	2,269,174		2,269,174	2,269,174	
Fund Balances, June 30	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 1,943,770	\$ (170,306)	\$ 1,773,464	\$ 2,443,089	\$ 669,625
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<u>RECAPITULATION :</u>					
Restricted Fund Balance:					
Capital Reserve			\$ 1,185,338		
Maintenance Reserve			155,795		
Excess Surplus			430,763		
Excess Surplus - Designated for Subsequent Year's Expenditures			403,489		
Assigned to Year-End Encumbrances			17,704		
Assigned Fund Balance:					
Designated for Subsequent Year's Expenditures					
Unassigned Fund Balance			<hr/>	250,000	
				<hr/>	
				2,443,089	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment not Recognized on GAAP Basis				(38,062)	
Fund Balance per Governmental Funds (GAAP)				<hr/>	
				\$ 2,405,027	
				<hr/>	

MANNINGTON TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:					
Federal Sources	\$ 630,289	\$ (317,147)	\$ 313,142	\$ 266,077	\$ (47,065)
State Sources		338,910	338,910	338,658	(252)
Revenue from Local Sources		16,007	16,007	3,679	(12,328)
Total Revenues	630,289	37,770	668,059	608,414	(59,645)
EXPENDITURES:					
Instruction					
Salaries of Teachers	142,706	2,475	145,181	145,181	
Other Salaries for Instruction	60,784	(4,000)	56,784	50,611	6,173
Purchased Professional/Technical Services	34,040		34,040	33,990	50
Purchased Professional/Educational Services	4,332		4,332	4,332	
Other Purchased Services	8,020	4,841	12,861	10,836	2,025
General Supplies	24,924	18,554	43,478	42,183	1,295
Other Objects	2,509	(1,829)	680		680
Equipment	4,411	(4,411)			
Total Instruction	281,726	15,630	297,356	287,133	10,223
Support Services					
Salaries of Supervisors	23,654		23,654	17,341	6,313
Salaries - Other Professionals	35,633		35,633	31,383	4,250
Secretarial and Clerical Salaries	6,192		6,192	6,192	
Salaries - Other	7,069		7,069	7,069	
Family/Parent Liaison	6,962		6,962	6,962	
Facilitator/Coach/Master	13,719		13,719	13,719	
Employee Benefits	74,624	(13,189)	61,435	57,618	3,817
Purchased Professional/Technical Services	88,586		88,586	85,028	3,558
Purchased Professional/Educational Services	16,310	(13,635)	2,675	2,675	
Other Purchased Professional Services	13,029	(200)	12,829	12,805	24
Clean/Repair/Maint Svc.	7,317		7,317	7,317	
Contracted Services	5,031	(4,456)	575	575	
Supplies & Materials	27,382	(1,492)	25,890	24,880	1,010
Other Objects	457	(457)			
Student Activities		14,007	14,007	3,779	10,228
Total Support Services	325,965	(19,422)	306,543	277,343	29,200
Capital Outlay:					
Equipment :					
Instructional Equipment	16,939	15,721	32,660	14,539	18,121
Non-instructional Equipment	5,659	25,841	31,500	31,499	1
Total Equipment	22,598	41,562	64,160	46,038	18,122
Facilities Acquisition and Construction Services:					
Construction					
Total Facilities Acquisition and Construction Services	22,598	41,562	64,160	46,038	18,122
Total Expenditures	630,289	37,770	668,059	610,514	57,545
Other Financing Sources (Uses)					
Total Outflows	630,289	37,770	668,059	610,514	57,545
Excess (Deficiency) of Revenues Over (Under) Expenditures				\$ (2,100)	\$ (2,100)
Fund Balance, July 1					
Prior Period Adjustment				12,328	
Fund Balance, July 1 (Restated)				12,328	
Fund Balance, June 30				\$ 10,228	
Recapitulation:					
Restricted:					
Student Activities				10,228	
Total Fund Balance				\$ 10,228	

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

MANNINGTON TOWNSHIP SCHOOL DISTRICT
BUDGET-TO-GAAP RECONCILIATION
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

		<u>General Fund</u>		<u>Special Revenue Fund</u>
Sources/inflows of resources				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1] \$	4,060,627	[C-2] \$	608,414
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.				
Current Year				(17,429)
Prior Year				19,416
State aid payment recognized for Gaap statements in the current year, previously recognized for budgetary purposes.		45,813		26,916
State aid payment recognized for budgetary purposes, not recognized for GAAP statements		(38,062)		(33,891)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2] \$	<u>4,068,378</u>	[B-2] \$	<u>603,426</u>
Uses/outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1] \$	3,727,113	[C-2] \$	610,514
Differences - budget to GAAP				
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.				
Current Year				(17,429)
Prior Year				19,416
State aid payment recognized for Gaap statements in the current year, previously recognized for budgetary purposes.				
State aid payment recognized for budgetary purposes, not recognized for GAAP statements				
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2] \$	<u>3,727,113</u>	[B-2] \$	<u>612,501</u>

REQUIRED SUPPLEMENTARY INFORMATION PART III

MANNINGTON TOWNSHIP SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Public Employees' Retirement System (PERS)
Last Ten Fiscal Years*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability	0.002086%	0.002725%	0.003484%	0.003715%	0.004063%	0.004222%	0.004232%	0.004692%
District's Proportionate Share of the Net Pension Liability	\$ 340,205	\$ 491,055	\$ 686,031	\$ 864,755	\$ 1,203,274	\$ 947,862	\$ 792,369	\$ 896,753
District's Covered-Employee Payroll	\$ 226,978	\$ 184,072	\$ 162,139	\$ 193,672	\$ 253,825	\$ 257,366	\$ 277,149	\$ 287,786
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	149.88%	266.77%	423.11%	446.50%	474.06%	368.29%	285.90%	311.60%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	58.32%	56.27%	53.60%	48.10%	48.10%	40.14%	47.93%	52.08%

Note: The amounts presented for each fiscal year were determined as of the prior fiscal year end measurement date.

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a 10-year trend is compiled, this presentation will include information for those years for which information is available.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
Schedule of District Contributions
Public Employees' Retirement System (PERS)
Last Ten Fiscal Years*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 22,822	\$ 26,618	\$ 34,791	\$ 34,877	\$ 36,200	\$ 36,302	\$ 34,889	\$ 35,354
Contributions in relation to the Contractually Required Contribution	(22,822)	(26,618)	(34,791)	(34,877)	(36,200)	(36,302)	(34,889)	(35,354)
Contribution Deficiency (Excess)	\$	\$	\$	\$	\$	\$	\$	\$
District's Covered-Employee Payroll	\$ 226,978	\$ 184,072	\$ 162,139	\$ 193,672	\$ 253,825	\$ 257,366	\$ 277,149	\$ 287,786
Contributions as a Percentage of Covered-Employee Payroll	10.05%	14.46%	21.46%	18.01%	14.26%	14.11%	12.59%	12.28%

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a 10-year trend is compiled, this presentation will include information for those years for which information is available.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Teachers' Pension and Annuity Fund (TPAF)
Last Ten Fiscal Years*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability	0.011415%	0.011240%	0.010491%	0.010715%	0.011214%	0.010929%	0.011818%	0.011685%
District's Proportionate Share of the Net Pension Liability	\$ 7,516,885	\$ 6,897,847	\$ 6,673,922	\$ 7,224,546	\$ 8,821,920	\$ 6,907,341	\$ 6,316,522	\$ 5,905,382
District's Covered-Employee Payroll	\$ 1,509,708	\$ 1,392,997	\$ 1,279,166	\$ 1,234,278	\$ 1,163,789	\$ 1,093,431	\$ 1,080,037	\$ 1,159,914
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	497.90%	495.18%	521.74%	585.33%	758.03%	631.71%	584.84%	509.12%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

Note: The amounts presented for each fiscal year were determined as of the prior fiscal year end measurement date.

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a 10-year trend is compiled, this presentation will include information for those years for which information is available.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
Required Supplementary Information - Part III
Schedule of Changes in the Total OPEB Liability and Related Ratios
State Health Benefit Local Education Retired Employees Plan
Last Ten Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB Liability				
Service Cost	\$ 229,245	\$ 213,183	\$ 236,444	\$ 285,996
Interest Cost	221,756	286,766	315,083	274,696
Changes of Benefit Terms				
Differences Between Expected and Actual Experiences	1,877,314	(1,503,853)	(896,985)	
Changes of Assumptions	1,865,692	92,325	(836,351)	(1,157,906)
Member Contributions	5,389	5,634	6,735	7,384
Gross Benefit Payments	(177,812)	(190,079)	(194,882)	(200,538)
Net Change in Total OPEB Liability	<u>4,021,584</u>	<u>(1,096,024)</u>	<u>(1,369,956)</u>	<u>(790,368)</u>
Total OPEB Liability - Beginning	6,192,026	7,288,050	8,658,006	9,448,374
Total OPEB Liability - Ending	<u>\$ 10,213,610</u>	<u>\$ 6,192,026</u>	<u>\$ 7,288,050</u>	<u>\$ 8,658,006</u>
Covered-Employee Payroll	<u>\$ 1,736,686</u>	<u>\$ 1,577,069</u>	<u>\$ 1,441,305</u>	<u>\$ 1,427,950</u>
Total OPEB Liability as a Percentage of Covered-Employee Payroll	588.11%	392.63%	505.66%	606.32%

Notes to Schedule:

Changes of Benefit Terms: None

Differences Between Expected and Actual Experiences: The decrease in the Total OPEB Liability from June 30, 2018 to June 30, 2019 is due to changes in the census, claims and premium experiences. The increase in liability from June 30, 2019 to June 30, 2020 is due to changes in the census, claims and premiums experience.

Changes in Assumptions: The increase in the liability from June 30, 2018 to June 30, 2019 is due to the decrease in the assumed discount rate from 3.87% as of June 30, 2018 to 3.50% as of June 30, 2019; and changes in the trend, excise tax, updated decrements, future spouse election, PPO/HMO future retiree elections, salary scale and mortality assumptions. The increase in the liability from June 30, 2019 to June 30, 2020 is due to the combined effect of the decrease in the assumed discount rate from 3.50% as of June 30, 2019 to 2.21% as of June 30, 2020; and changes in the trend, repeal of the excise tax, and updated mortality improvement assumptions.

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND DETAIL STATEMENTS

The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
SPECIAL REVENUE FUND - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2020)

	NCLB			REAP Grant	Student Activity	Safety Grant	Digital Divide	Sub-Total Per E-1(2)	Totals	
	Title I		Title IV						2021	2020
	Part A	Reallocated								
REVENUES:										
Federal Sources	\$ 92,349	\$ 4,332	\$ 2,450	\$ 13,738	\$	\$	\$ 8,607	\$ 144,601	\$ 266,077	\$ 174,836
State Sources								338,658	338,658	252,298
Local Sources					1,679	2,000			3,679	25,406
Total Revenues	92,349	4,332	2,450	13,738	1,679	2,000	8,607	483,259	608,414	452,540
EXPENDITURES:										
Instruction:										
Salaries of Teachers	33,003							112,178	145,181	154,442
Other Salaries for Instruction								50,611	50,611	36,878
Purchased Professional/Technical Services	16,189		1,850					15,951	33,990	
Purchased Professional/Educational Services		4,332							4,332	2,960
Other Purchased Services	9,975							861	10,836	
General Supplies				4,411			8,607	29,165	42,183	19,907
Other Objects										246
Total Instruction	59,167	4,332	1,850	4,411			8,607	208,766	287,133	214,433
Support Services:										
Salaries of Supervisors								17,341	17,341	13,011
Salaries - Other Professionals								31,383	31,383	11,017
Secretarial and Clerical Salaries								6,192	6,192	4,601
Salaries - Other								7,069	7,069	5,304
Family/Parent Liaison								6,962	6,962	5,173
Facilitator/Coach/Master								13,719	13,719	10,259
Employee Benefits	12,040							45,578	57,618	52,710
Purchased Professional/Technical Services	21,142							63,886	85,028	56,262
Purchased Professional/Educational Services								2,675	2,675	145
Other Purchased Professional Services								12,805	12,805	9,620
Clean/Repair/Maint Svc.								7,317	7,317	5,345
Contracted Services								575	575	
Supplies & Materials			600					24,280	24,880	426
Student Activities					3,779				3,779	
Total Support Services	33,182		600		3,779			239,782	277,343	173,873
Capital Outlay:										
Equipment :										
Instructional Equipment				9,327				5,212	14,539	26,767
Non-Instructional Equipment						2,000		29,499	31,499	14,455
Total Equipment				9,327		2,000		34,711	46,038	41,222
Facilities Acquisition/Construction:										
Construction										23,012
Total Facilities Acquisition/Construction				9,327		2,000		34,711	46,038	64,234
Total Expenditures	\$ 92,349	\$ 4,332	\$ 2,450	\$ 13,738	\$ 3,779	\$ 2,000	\$ 8,607	\$ 483,259	\$ 610,514	\$ 452,540
Excess (Deficiency) of Revenues Over (Under) Expenditures					(2,100)				(2,100)	
Fund Balance, July 1										
Prior Period Adjustment					12,328				12,328	
Fund Balance, July 1 (Restated)					12,328				12,328	
Fund Balance, June 30	\$	\$	\$	\$	\$ 10,228	\$	\$	\$	\$ 10,228	\$

MANNINGTON TOWNSHIP SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
SPECIAL REVENUE FUND - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2020)

	Title IIA	Preschool Education Program	IDEA			Cares Act	CFR	Totals 2021
			Basic Part B	Part B Pre- School				
REVENUES:								
Federal Sources	\$ 4,887	\$	\$ 58,136	\$ 863	\$ 70,562	\$ 10,153	\$	144,601
State Sources		338,658						338,658
Other								
Total Revenues	4,887	338,658	58,136	863	70,562	10,153		483,259
EXPENDITURES:								
Instruction:								
Salaries of Teachers		112,178						112,178
Other Salaries for Instruction		45,726			4,885			50,611
Purchased Professional/Technical Services					15,951			15,951
Purchased Professional/Educational Services								
Other Purchased Professional Services		861						861
Supplies & Materials		15,629			13,536			29,165
Other Objects								
Total Instruction		174,394			34,372			208,766
Support Services:								
Salaries of Supervisors		17,341						17,341
Salaries - Other Professionals		10,133			21,250			31,383
Salaries Sec/Clerical		6,192						6,192
Salaries - Other		7,069						7,069
Family/Parent Liaison		6,962						6,962
Facilitator/Coach/Master		13,719						13,719
Employee Benefits		44,765			813			45,578
Purchased Professional/Technical Services	4,887		58,136	863				63,886
Purchased Professional/Educational Services		2,675						2,675
Other Purchased Professional Services		12,805						12,805
Clean/Repair/Maint Svc.		7,317						7,317
Contracted Services		575						575
Supplies & Materials					14,127	10,153		24,280
Total Support Services	4,887	129,553	58,136	863	36,190	10,153		239,782
Facilities Acquisition/Construction:								
Instructional Equipment		5,212						5,212
Noninstructional Equipment		29,499						29,499
Total Facilities Acquisition/Construction		34,711						34,711
Total Expenditures	\$ 4,887	\$ 338,658	\$ 58,136	\$ 863	\$ 70,562	\$ 10,153	\$	483,259

MANNINGTON TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION AID
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 112,178	\$ 112,178	\$
Other Salaries for Instruction	45,784	45,726	58
Other Purchased Professional Services	861	861	
Supplies & Materials	15,629	15,629	
Total Instruction	<u>174,452</u>	<u>174,394</u>	<u>58</u>
Support Services:			
Salaries of Supervisors	17,341	17,341	
Salaries - Other Professionals	10,133	10,133	
Salaries Sec/Clerical	6,192	6,192	
Other Salaries	7,069	7,069	
Family/Parent Liaison	6,962	6,962	
Facilitator/Coach/Master	13,719	13,719	
Employee Benefits	44,958	44,765	193
Purchased Professional/Educational Services	2,675	2,675	
Other Purchased Professional Services	12,805	12,805	
Clean/Repair/Maint Svc.	7,317	7,317	
Contracted Services	575	575.00	
Total Support Services	<u>129,746</u>	<u>129,553</u>	<u>193</u>
Facilities Acquisition and Const. Services:			
Instructional Equipment	5,212	5,212	
Non-instructional Equipment	29,500	29,499	1
Total Facilities Acquisition and Const. Services	<u>34,712</u>	<u>34,711</u>	<u>1</u>
Total Expenditures	<u>\$ 338,910</u>	<u>\$ 338,658</u>	<u>\$ 252</u>

CALCULATION OF BUDGET & CARRYOVER

Total 2020-2021 Preschool Education Aid Allocation	\$ 338,910	(1)
Add: Actual ECPA Carryover (June 30, 2020)	16,859	(2)
Add: Budgeted Transfer from General Fund 2020-2021		(3)
Total Preschool Education Aid Funds Available for 2020-2021 Budget	<u>355,769</u>	(4)
Less: 2020-2021 Budgeted Preschool Education Aid and Prior Year Budgeted (Carryover)	(338,910)	(5)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2021	<u>16,859</u>	(6)
Add: June 30, 2021 Unexpended Preschool Education Aid	252	(7)
Less: 2020-2021 Commissioner-approved Transfer to the General Fund		(8)
2020-2021 Carryover - Preschool Education Aid	<u>\$ 17,111</u>	(9)
2020-2021 Preschool Education Aid Carryover Budgeted for Preschool Programs 2021-2022		<u>\$ (10)</u>

CAPITAL PROJECTS FUND DETAIL STATEMENT

The Capital Projects Fund is used to account for the acquisition and construction of major capital facilities and equipment purchases other than those financed by proprietary funds.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

<u>Project Title</u>	<u>Approval Date</u>	<u>Appropriations</u>	<u>GAAP Expenditures to Date</u>			<u>Unexpended Balances 6/30/21</u>	<u>Memo Only</u>	
			<u>Prior Year</u>	<u>Current Year</u>	<u>Cancelled</u>		<u>Encumbrances</u>	<u>Available Balances</u>
Parking Lot Project	2018-19	\$ 213,757	\$ 213,757	\$	\$ 21,620	\$	\$	
Security Door Upgrades	2018-19	15,400	15,400					
Air Condition Upgrade in APR	2018-19	39,961	39,961					
Interior Doors	2020-21	114,475		114,475				
Kitchen and Gym Flooring	2020-21	24,229				24,229	24,229	
		<u>\$ 407,822</u>	<u>\$ 269,118</u>	<u>\$ 114,475</u>	<u>\$ 21,620</u>	<u>\$ 24,229</u>	<u>\$ 24,229</u>	<u>\$</u>

MANNINGTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Revenues and Other Financing Sources

Transfer from Capital Reserve Funds	\$ 138,704
Transfer to Capital Reserve	

Total Revenues	<u>138,704</u>
----------------	----------------

Expenditures and Other Financing Uses

Construction Services	114,475
-----------------------	---------

Total Expenditures	<u>114,475</u>
--------------------	----------------

Excess (Deficiency) of Revenues Over (Under) Expenditures	24,229
---	--------

Fund Balance - Beginning	
--------------------------	--

Fund Balance - Ending	<u><u>\$ 24,229</u></u>
-----------------------	-------------------------

MANNINGTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES
PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
KITCHEN AND GYM FLOORING
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve Funds	\$	\$ 24,229	\$ 24,229	\$ 24,229
Total Revenues		24,229	24,229	24,229
Expenditures and Other Financing Uses				
Construction Services		24,229	24,229	24,229
Total Expenditures		24,229	24,229	24,229
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$	\$	\$	\$
Additional Project Information:				
Total Projected Cost		\$24,229		
Percentage Completion		100%		
Original Target Completion Date		6/30/2021		
Revised Target Completion Date		6/30/2021		

PROPRIETARY FUND DETAIL STATEMENTS

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the district’s board is that the costs of providing goods or services be financed through user charges.

Food Services Fund – This fund provides for the operation of food services for the schools within the school district.

Internal Service Funds – This fund is used to serve organizational units within the district or to serve other governmental units.

**THIS SECTION HAS ALREADY BEEN INCLUDED IN STATEMENTS B-4, B-5
AND B-6.**

MANNINGTON TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUND
COMBINED SCHEDULE OF NET POSITION
AS OF JUNE 30, 2021 AND 2020

	<u>Food Service Fund</u>	<u>SACC Program</u>	<u>Total</u>	
			<u>2021</u>	<u>2020</u>
ASSETS:				
Current Assets:				
Cash and Cash Equivalents	\$ 26,601	\$ 7,536	\$ 34,137	\$ 11,274
Accounts Receivable:				
State	400		400	262
Federal	3,966		3,966	8,298
Other	222	981	1,203	1,691
Inventory	903		903	816
Total Current Assets	<u>32,092</u>	<u>8,517</u>	<u>40,609</u>	<u>22,341</u>
Fixed Assets:				
Equipment	36,740		36,740	13,345
Accumulated Depreciation	(11,242)		(11,242)	(5,554)
Total Fixed Assets	<u>25,498</u>		<u>25,498</u>	<u>7,791</u>
Total Assets	<u>57,590</u>	<u>8,517</u>	<u>66,107</u>	<u>30,132</u>
LIABILITIES:				
Current Liabilities:				
Unearned Revenue	1,321	137	1,458	1,883
Accounts Payable	20,895		20,895	
Due to General Fund	2,500		2,500	2,607
Total Liabilities	<u>24,716</u>	<u>137</u>	<u>24,853</u>	<u>4,490</u>
NET POSITION:				
Investment in Fixed Assets	25,498		25,498	7,791
Unrestricted	7,376	8,380	15,756	17,851
Total Net Position	<u>\$ 32,874</u>	<u>\$ 8,380</u>	<u>\$ 41,254</u>	<u>\$ 25,642</u>

MANNINGTON TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUND
COMPARATIVE SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEARS ENDED JUNE 30, 2021 AND 2020

	Food Service Fund	SACC Program	Total	
			2021	2020
OPERATING REVENUES:				
Local Sources:				
Food Sales Reimbursable Programs	\$	\$	\$	\$ 15,700
Food Sales Non-Reimbursable Programs	4,312		4,312	7,072
SACC Revenue		4,364	4,364	16,719
Total Operating Revenue	4,312	4,364	8,676	39,491
OPERATING EXPENSES:				
Cost of Sales - Reimbursable Programs	23,085		23,085	44,125
Cost of Sales - Non-Reimbursable Programs	1,772		1,772	4,482
Salaries	27,398	5,414	32,812	24,640
Employee Benefits	4,583	414	4,997	4,375
General Supplies	2,686	144	2,830	2,406
Depreciation	5,688		5,688	687
Total Operating Expenses	65,212	5,972	71,184	80,715
Operating Income/(Loss)	(60,900)	(1,608)	(62,508)	(41,224)
NON-OPERATING REVENUES:				
State Sources:				
State School Lunch Program	1,873		1,873	869
Federal Sources:				
National School Lunch Program	36,662		36,662	30,310
School Breakfast Program	13,540		13,540	12,835
USDA Commodities	5,150		5,150	4,411
Total Non-Operating Revenues	57,225		57,225	48,425
Change in Net Position before Operating Transfers				
In/(Out)	(3,675)	(1,608)	(5,283)	7,201
Operating Transfer In - General Fund	20,895		20,895	
Net (Loss) Income	17,220	(1,608)	15,612	7,201
Net Position - July 1	15,654	9,988	25,642	18,441
Net Position - June 30	\$ 32,874	\$ 8,380	\$ 41,254	\$ 25,642

MANNINGTON TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUND
COMBINING SCHEDULE OF CASH FLOWS
AS OF JUNE 30, 2021

	Food Service Fund	SACC Program	Total	
			2021	2020
Cash Flows from Operating Activities:				
Receipts from Customers	\$ 4,312	\$ 4,364	\$ 8,676	\$ 39,491
Payments to Employees	(27,398)	(5,414)	(32,812)	(24,640)
Payments for Employee Benefits	(4,583)	(414)	(4,997)	(4,375)
Payments to Suppliers	(3,136)	407	(2,729)	(58,444)
Net Cash Used by Operating Activities	(30,805)	(1,057)	(31,862)	(47,968)
Cash Flows from Noncapital Financing Activities				
Operating Transfer In-General Fund	20,895		20,895	0
Cash Received from State and Federal Reimbursements	57,225		57,225	48,425
Net Cash Provided by Noncapital Financing Activities	78,120		78,120	48,425
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES				
Purchase of Fixed Assets	(23,395)		(23,395)	
Net Cash Provided by (Used for) Capital Financing Activities	(23,395)		(23,395)	
Net Increase (Decrease) in Cash	23,920	(1,057)	22,863	457
Cash and Cash Equivalents, July 1	2,681	8,593	11,274	10,817
Cash and Cash Equivalents, June 30	\$ 26,601	\$ 7,536	\$ 34,137	\$ 11,274
Operating Income (Loss)	\$ (60,900)	\$ (1,608)	\$ (62,508)	\$ (41,224)
Adjustments to Reconcile Operating Income (Loss) to Cash Used by Operating Activities:				
Depreciation	5,688		5,688	687
Change in Assets and Liabilities:				
(Increase)/Decrease in Accounts Receivable	4,186	496	4,682	(7,892)
(Increase)/Decrease in Inventory	(87)		(87)	(680)
Increase/(Decrease) in Accounts Payable	20,895		20,895	
Increase/(Decrease) in Due to General	(107)		(107)	
Increase/(Decrease) in Unearned Revenue	(480)	55	(425)	1,141
Total Adjustments	30,095	551	30,646	(6,744)
Net Cash Used by Operating Activities	\$ (30,805)	\$ (1,057)	(31,862)	(47,968)

MANNINGTON TOWNSHIP SCHOOL DISTRICT
INTERNAL SERVICE FUND
COMBINING SCHEDULE OF NET POSITION
AS OF JUNE 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
ASSETS:		
Cash and Cash Equivalents	\$ 17,135	\$ 9,793
Accounts Receivable		
Total Assets	<u>\$ 17,135</u>	<u>\$ 9,793</u>
LIABILITIES:		
Unearned Revenues	\$	\$
Accounts Payable		
Total Liabilities		
NET POSITION		
Net Position	<u>17,135</u>	<u>9,793</u>
Total Net Position	<u>17,135</u>	<u>9,793</u>
Total Liabilities and Net Position	<u>\$ 17,135</u>	<u>\$ 9,793</u>

MANNINGTON TOWNSHIP SCHOOL DISTRICT
INTERNAL SERVICE FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEARS ENDED JUNE 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
OPERATING REVENUES:		
Shared Services - Other LEA	\$ 58,000	\$ 58,000
Total Operating Revenue	<u>58,000</u>	<u>58,000</u>
OPERATING EXPENSES:		
Salaries	48,643	47,885
Employee Benefits	2,015	2,365
Total Operating Expenses	<u>50,658</u>	<u>50,250</u>
Net Income (Loss)	<u>7,342</u>	<u>7,750</u>
Net Position - July 1	<u>9,793</u>	<u>2,043</u>
Net Position - June 30	<u>\$ 17,135</u>	<u>\$ 9,793</u>

MANNINGTON TOWNSHIP SCHOOL DISTRICT
INTERNAL SERVICE FUND
COMBINING SCHEDULE OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
Cash Flows from Operating Activities:		
Receipts from Customers	\$ 58,000	\$ 58,000
Payments to Employees and Employee Benefits	(50,658)	(50,250)
	<u>7,342</u>	<u>7,750</u>
Net Cash Provided (Used) by Operating Activities	7,342	7,750
Net Increase in Cash and Cash Equivalents	<u>7,342</u>	<u>7,750</u>
Cash and Cash Equivalents, July 1	<u>9,793</u>	<u>2,043</u>
Cash and Cash Equivalents, June 30	<u>\$ 17,135</u>	<u>\$ 9,793</u>
Operating Income (Loss)	\$ 7,342	\$ 7,750
Adjustments to Reconcile Operating Income (Loss) to Cash Provided (Used) by Operating Activities		
Cancellation of Prior Year Accounts Receivable		
Change in Assets and Liabilities:		
(Increase)/Decrease in Intergovernmental Accounts Receivable		
Increase/(Decrease) in Unearned Revenue		
	<u>7,342</u>	<u>7,750</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 7,342</u>	<u>\$ 7,750</u>

LONG-TERM DEBT SCHEDULES

The Long-Term Schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the school district. This includes serial bonds outstanding and obligations under capital leases.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF OBLIGATION UNDER SERIAL BONDS
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount OF Issue</u>	<u>Annual Maturities Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance July 1, 2020</u>	<u>Issued</u>	<u>Refunded</u>	<u>Retired</u>	<u>Balance June 30, 2021</u>
Refunding of Series 3/1/06 Issue - Renovations to the Elementary School	4/12/16	\$ 1,400,000	3/1/22	\$ 145,000	1.93%	\$ 855,000	\$	\$	\$ 140,000	\$ 715,000
			3/1/23	145,000						
			3/1/24	140,000						
			3/1/25	145,000						
			3/1/26	140,000						
						<u>\$ 855,000</u>	<u>\$</u>	<u>\$</u>	<u>\$ 140,000</u>	<u>\$ 715,000</u>

MANNINGTON TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:					
Local Sources					
Local Tax Levy	\$ 103,291	\$	\$ 103,291	\$ 103,291	\$
State Sources					
Debt Service Aid - Type II	53,211		53,211	53,211	
Total Revenues	<u>156,502</u>		<u>156,502</u>	<u>156,502</u>	
EXPENDITURES:					
Regular Debt Service					
Redemption of Bond Principal	140,000		140,000	140,000	
Interest on Bonds	16,502		16,502	16,463	39
Total Expenditures	<u>156,502</u>		<u>156,502</u>	<u>156,463</u>	<u>39</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)				39	39
Fund Balance - July 1, 2019					
Fund Balance - June 30, 2020	\$	\$	\$	\$ 39	\$ 39

STATISTICAL SECTION

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(UNAUDITED)

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities										
Invested in Capital Assets, Net of Related Debt (Deficit) \$	(280,504)	(170,290)	(133,151)	(106,897)	(78,130)	(17,208)	39,570	241,754	364,079	513,139
Restricted	296,866	236,930	111,476	274,249	772,771	1,297,747	1,700,813	1,726,051	2,007,597	2,185,613
Unrestricted (Deficit)	183,990	27,717	49,339	(718,844)	(680,522)	(762,209)	(787,747)	(669,303)	(679,375)	(543,233)
Total Governmental Activities Net Position	\$ 200,352	\$ 94,357	\$ 27,664	\$ (551,492)	\$ 14,119	\$ 518,330	\$ 952,636	\$ 1,298,502	\$ 1,692,301	\$ 2,155,519
Business-Type Activities										
Invested in Capital Assets, Net of Related Debt	\$ 7,144	\$ 5,004	\$ 4,461	\$ 2,372	\$ 2,162	\$ 9,855	\$ 9,167	\$ 8,478	\$ 7,791	\$ 25,498
Unrestricted (Deficit)	1,051	648	200	3,676	7,523	(1,110)	1,532	9,963	17,851	15,756
Total Business-Type Activities Net Position	\$ 8,195	\$ 5,652	\$ 4,661	\$ 6,048	\$ 9,685	\$ 8,745	\$ 10,699	\$ 18,441	\$ 25,642	\$ 41,254
District-Wide										
Invested in Capital Assets, Net of Related Debt (Deficit) \$	(273,360)	(165,286)	(128,690)	(104,525)	(75,968)	(7,353)	48,737	250,232	371,870	538,637
Restricted	296,866	236,930	111,476	274,249	772,771	1,297,747	1,700,813	1,726,051	2,007,597	2,185,613
Unrestricted (Deficit)	185,041	28,365	49,539	(715,168)	(672,999)	(763,319)	(786,215)	(659,340)	(661,524)	(527,477)
Total District-Wide Net Position	\$ 208,547	\$ 100,009	\$ 32,325	\$ (545,444)	\$ 23,804	\$ 527,075	\$ 963,335	\$ 1,316,943	\$ 1,717,943	\$ 2,196,773

Source: CAFR Schedule A-1

MANNINGTON TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(UNAUDITED)

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental activities										
Instruction										
Regular	\$ 1,055,363	1,080,289	1,106,427	1,153,334	1,068,306	1,176,301	1,169,907	1,257,753	1,390,561	1,426,966
Special Education	166,555	174,368	173,722	90,145	55,681	111,607	117,336	120,281	121,410	181,537
Other Special Education										
Other Instruction	1,222	1,016	1,397	548	859	468	439	452	477	489
Support Services										
Tuition	434,999	417,605	527,318	507,963	346,463	394,633	375,095	528,063	629,947	578,254
Student and Instruction Related Services	366,400	351,150	326,640	294,313	298,124	286,975	359,453	354,477	391,270	497,180
General Administrative Services	57,669	57,703	65,899	84,324	100,832	87,965	76,612	81,626	82,629	76,869
School Administrative Services	92,607	90,222	107,832	94,505	95,291	97,340	84,183	90,598	86,563	90,846
Central Services	88,891	90,505	92,039	89,483	96,185	98,926	102,200	100,836	76,524	76,860
Plant Operations and Maintenance	192,824	199,831	217,577	208,516	213,598	238,401	222,436	240,131	226,294	188,521
Pupil Transportation	276,904	236,136	199,350	215,638	215,021	203,239	212,593	195,403	228,170	201,841
Employee Benefits	774,539	862,689	763,130	973,975	1,091,438	1,391,635	1,548,464	1,177,624	962,070	1,393,986
Amortization of Debt Issue Costs	1,789									
Interest on Long-Term Debt	79,596	76,053	70,214	63,995	46,791	30,985	28,247	20,940	19,204	19,362
Total Governmental Activities Expense	3,589,358	3,637,567	3,651,545	3,776,739	3,628,589	4,118,475	4,296,965	4,168,184	4,215,119	4,732,711
Business-Type Activities										
Food Service	85,586	95,512	89,404	91,635	95,039	82,809	62,682	70,895	67,275	65,212
SACC							4,349	12,501	13,440	5,972
Total Business-Type Activities Expense	85,586	95,512	89,404	91,635	95,039	82,809	67,031	83,396	80,715	71,184
Total District Expenses	\$ 3,674,944	3,733,079	3,740,949	3,868,374	3,723,628	4,201,284	4,363,996	4,251,580	4,295,834	4,803,895
Program Revenues										
Governmental Activities										
Charge for Services										
Instruction (Tuition)	\$ 62,517	13,338	11,700	11,809				14,500	58,000	61,679
Operating Grants and Contributions	399,852	409,855	369,495	311,987	387,177	410,037	433,255	428,922	581,889	782,476
Total Governmental Activities Prog. Revenues	462,369	423,193	381,195	323,796	387,177	410,037	433,255	443,422	639,889	844,155
Business-Type Activities										
Charges for Services										
Food Service	32,591	32,622	31,008	29,448	30,441	40,983	30,833	35,542	22,772	4,312
SACC							5,881	17,678	16,719	4,364
Operating Grants and Contributions	31,000	39,944	35,905	39,452	45,235	30,886	24,008	27,918	48,425	57,225
Total Business-Type Activities Prog. Revenues	63,591	72,566	66,913	68,900	75,676	71,869	60,722	81,138	87,916	65,901
Total District Program Revenues	\$ 525,960	495,759	448,108	392,696	462,853	481,906	493,977	524,560	727,805	910,056
Net (Expense) Revenues										
Governmental Activities	\$ (3,126,989)	(3,214,374)	(3,270,350)	(3,452,943)	(3,241,412)	(3,708,438)	(3,863,710)	(3,724,762)	(3,575,230)	(3,888,556)
Business-Type Activities	(21,995)	(22,946)	(22,491)	(22,735)	(19,363)	(10,940)	(6,309)	(2,258)	7,201	(5,283)
Total District-Wide Net Expenses	\$ (3,148,984)	(3,237,320)	(3,292,841)	(3,475,678)	(3,260,775)	(3,719,378)	(3,870,019)	(3,727,020)	(3,568,029)	(3,893,839)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Property Taxes Levied for General Purpose, Net	\$ 2,311,434	2,357,663	2,404,816	2,571,505	2,622,935	2,753,976	2,668,575	2,750,279	2,855,285	2,912,390
Taxes Levied for Debt Service	132,367	133,422	134,346	135,137	113,116	113,507	109,651	90,448	105,074	103,291
Unrestricted Grants and Contributions	664,293	605,108	620,492	985,912	1,029,432	1,290,148	1,440,895	1,110,357	875,220	1,253,561
Restricted Grants, Tuition and Contributions										
Tuition	83,984	63,625	60,297	62,267	57,000	46,817	70,600	116,680	115,860	93,324
Investment Earnings	1,771	1,575	992	1,134	1,714	2,486	3,055	11,042	7,284	735
Miscellaneous Income	8,795	9,713	4,214	5,231	5,826	15,715	13,503	3,898	25,406	1,854
Transfers	(1,847)	(22,000)	(21,500)	(26,000)	(23,000)	(10,000)	(8,263)	(10,000)	(15,100)	(20,895)
Fixed Assets Adjustments	(11,402)	(17,463)						(2,076)		(4,814)
Total Governmental Activities	3,189,395	3,131,643	3,203,657	3,735,186	3,807,023	4,212,649	4,298,016	4,070,628	3,969,029	4,339,446
Business-Type Activities										
Fixed Asset Adjustments		(1,597)		(1,878)						
Transfers	1,847	22,000	21,500	26,000	23,000	10,000	8,263	10,000	15,100	20,895
Total Business-Type Activities	1,847	20,403	21,500	24,122	23,000	10,000	8,263	10,000	15,100	20,895
Total District-wide	\$ 3,191,242	3,152,046	3,225,157	3,759,308	3,830,023	4,222,649	4,306,279	4,080,628	3,984,129	4,360,341
Change in Net Position										
Governmental Activities	\$ 62,406	(82,731)	(66,693)	282,243	565,611	504,211	434,306	345,866	393,799	450,890
Business-Type Activities	(20,148)	(2,543)	(991)	1,387	3,637	(940)	1,954	7,742	7,201	15,612
Total District-wide	\$ 42,258	(85,274)	(67,684)	283,630	569,248	503,271	436,260	353,608	401,000	466,502

Source: CAFR Schedule A-2

MANNINGTON TOWNSHIP SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(UNAUDITED)

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Restricted	\$ 304,696	\$ 243,124	\$ 117,071	\$ 279,485	\$ 778,192	\$ 1,289,234	\$ 1,687,767	\$ 1,726,051	\$ 2,007,597	\$ 2,175,385
Assigned			1,799	27,657	58,835	26,430	14,826	90,248	11,577	17,704
Unassigned	191,493	183,833	183,766	201,763	194,099	194,427	196,159	195,551	204,187	211,938
Total General Fund	\$ 496,189	\$ 426,957	\$ 302,636	\$ 508,905	\$ 1,031,126	\$ 1,510,091	\$ 1,898,752	\$ 2,011,850	\$ 2,223,361	\$ 2,405,027
All Other Governmental Funds										
Restricted, Reported in:										
Special Revenue Fund										
Assigned, Reported in:										\$ 10,228
Debt Service Fund							\$ 13,046			
Capital Projects Fund										
Committed										24,229
Unassigned, Reported in:										39
Special Revenue Fund (Deficit)	\$ (7,831)	\$ (6,199)	\$ (5,600)	\$ (5,241)	\$ (5,600)	\$ (4,881)	\$ (5,959)	\$ (5,295)	\$ (26,916)	\$ (33,891)
Capital Projects Fund										
Debt Service Fund	4	5	5	5	5	13,046				
Total All Other Governmental Funds	\$ (7,827)	\$ (6,194)	\$ (5,595)	\$ (5,236)	\$ (5,595)	\$ 8,165	\$ 7,087	\$ (5,295)	\$ (26,916)	\$ 605

Source: CAFR Schedule B-1

MANNINGTON TOWNSHIP SCHOOL DISTRICT
CHANGES IN FUND BALANCES-GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
 (UNAUDITED)

	Fiscal year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Tax Levy	\$ 2,443,801	\$ 2,491,085	\$ 2,539,162	\$ 2,706,642	\$ 2,736,051	\$ 2,867,483	\$ 2,778,226	\$ 2,840,727	\$ 2,960,359	\$ 3,015,681
Tuition Charges	83,984	63,625	60,297	62,267	57,000	46,817	70,600	116,680	115,860	93,324
Interest Earnings	1,771	1,575	992	1,134	1,714	2,486	3,055	11,042	7,284	735
Miscellaneous	8,795	9,713	4,214	5,231	5,826	15,715	13,503	3,898	25,406	5,533
State Sources	915,976	916,374	877,243	929,991	940,078	975,661	1,009,417	1,064,480	1,232,808	1,444,969
Federal Sources	148,169	98,589	112,744	87,104	144,562	182,203	194,818	186,095	155,420	248,648
Total Revenues	3,602,496	3,580,961	3,594,652	3,792,369	3,885,231	4,090,365	4,069,619	4,222,922	4,497,137	4,808,890
Expenditures										
Instruction										
Regular Instruction	988,494	1,012,742	1,037,017	1,084,350	1,032,019	1,097,542	1,095,925	1,181,644	1,310,275	1,344,690
Special Education Instruction	163,762	171,547	170,823	87,264	52,763	108,318	114,247	117,103	118,057	178,070
Other Special Instruction										
Other instruction	825	615	985	138	444					
Support Services										
Tuition	434,999	417,605	527,318	507,963	346,463	394,633	375,095	528,063	629,947	578,254
Student and Instruction Related Services	285,469	319,211	295,826	263,507	278,880	265,288	339,080	321,061	318,911	423,857
General administration	50,238	50,196	62,005	76,658	93,067	79,212	68,390	73,168	73,707	67,722
School Administrative Services	88,856	86,433	100,119	90,636	91,372	92,922	80,033	86,329	82,060	86,230
Other Administrative Services										
Central Services	84,030	85,595	86,993	84,469	91,106	93,201	96,822	95,304	70,688	70,877
Plant Operations and Maintenance	180,497	187,379	204,783	195,799	200,717	223,882	208,798	223,627	198,018	173,348
Pupil Transportation	276,904	236,136	199,350	215,638	215,021	203,239	212,593	195,403	228,170	201,841
Employee Benefits	757,196	827,594	779,580	738,838	759,853	794,082	868,494	929,843	967,023	1,149,195
Capital Outlay		29,349	28,519	9,726	7,275	76,378	54,881	203,852	136,087	160,589
Debt Service										
Principal	115,943	122,863	129,902	137,066	110,000	135,000	135,000	135,000	140,000	140,000
Interest and Other Charges	84,612	79,292	73,654	67,689	61,389	23,943	24,415	21,809	19,204	16,463
Total Expenditures	3,511,825	3,626,557	3,696,874	3,559,741	3,340,369	3,587,640	3,673,773	4,112,206	4,292,147	4,591,136
Excess (Deficiency) of Revenues										
Over (Under) Expenditures	90,671	(45,596)	(102,222)	232,628	544,862	502,725	395,846	110,716	204,990	217,754
Other Financing Sources (Uses)										
Bond Proceeds										
Transfers Out	(1,847)	(22,000)	(21,500)	(26,000)	(23,000)	(10,000)	(8,263)	(10,000)	(15,100)	(20,895)
Total Other Financing Sources (Uses)	(1,847)	(22,000)	(21,500)	(26,000)	(23,000)	(10,000)	(8,263)	(10,000)	(15,100)	(20,895)
Net Change in Fund Balances	\$ 88,824	\$ (67,596)	\$ (123,722)	\$ 206,628	\$ 521,862	\$ 492,725	\$ 387,583	\$ 100,716	\$ 189,890	\$ 196,859
Debt Service as a Percentage of Noncapital Expenditures	5.7%	5.6%	5.5%	5.8%	5.1%	4.4%	4.3%	3.8%	3.7%	3.4%

Source: CAFR Schedule B-2

MANNINGTON TOWNSHIP SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(UNAUDITED)

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u> <u>Revenue</u>	<u>Misc.</u>	<u>Total</u>
2021	\$ 735	\$ 93,324	\$ 1,854	\$ 95,913
2020	7,284	115,860		123,144
2019	11,042	116,680	1,207	128,929
2018	3,055	70,600	11,038	84,693
2017	2,486	46,817	13,454	62,757
2016	1,714	57,000	3,590	62,304
2015	1,134	62,267	1,967	65,368
2014	992	60,297	4,214	65,503
2013	1,575	63,625	6,787	71,987
2012	1,771	48,940	2,136	52,847

Source: District Records

MANNINGTON TOWNSHIP SCHOOL DISTRICT
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
 (UNAUDITED)

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual County Equalized Value
2021	\$ 6,366,800	\$ 71,614,500	\$ 45,202,800	\$ 7,511,700	\$ 12,668,700	\$ 30,329,900	\$ 173,694,400	\$ 661,218	\$ 174,355,618	1.760	\$ 184,978,062 *
2020	4,324,600	71,844,800	46,477,400	7,487,600	20,682,700	30,329,900	181,147,000	493,335	181,640,335	1.660	190,001,049
2019	4,573,700	71,540,400	46,781,600	7,491,100	27,068,300	31,909,600	189,364,700	493,335	189,858,035	1.560	198,620,411
2018	3,927,800	72,129,600	46,495,700	7,524,100	27,021,700	31,909,600	189,008,500	471,204	189,479,704	1.499	198,246,801
2017	4,397,400	72,195,500	46,418,800	7,539,600	28,280,100	33,009,600	191,841,000	453,927	192,294,927	1.445	195,500,452
2016	4,461,700	71,077,900	47,313,700	7,608,300	47,638,400	34,509,600	212,609,600	458,846	213,068,446	1.346	201,503,423
2015	4,322,800	70,801,000	47,495,600	7,620,600	47,638,400	36,209,600	214,088,000	796,500	214,884,500	1.273	207,690,719
2014	4,240,200	71,041,000	47,705,900	7,632,300	47,885,900	37,709,600	216,214,900	475,531	216,690,431	1.250	214,068,000
2013	4,239,400	70,875,700	48,270,600	7,634,900	47,635,900	41,984,600	220,641,100	656,193	221,297,293	1.148	220,641,100
2012	4,341,400	71,591,800	48,404,200	7,557,100	48,284,100	41,984,600	222,163,200	683,136	222,846,336	1.118	225,615,111

Source: District records Tax list summary & Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when ordered by the County Board of Taxation

a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

b Tax rates are per \$100

* Estimate

MANNINGTON TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate Per \$100 of Assessed Value)
(UNAUDITED)

Year Ended June 30,	Mannington Township Board of Education			Overlapping Rates		
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Mannington Township	Salem County	Total
2021	\$ 1.700	\$ 0.060	\$ 1.760	\$ 0.300	\$ 1.320	\$ 3.380
2020	1.601	0.059	1.660	0.300	1.220	3.180
2019	1.510	0.050	1.560	0.301	1.235	3.096
2018	1.439	0.060	1.499	0.302	1.153	2.954
2017	1.385	0.060	1.445	0.302	1.128	2.875
2016	1.279	0.067	1.346	0.301	1.082	2.729
2015	1.209	0.064	1.273	0.301	0.949	2.523
2014	1.184	0.066	1.250	0.297	0.898	2.445
2013	1.087	0.610	1.148	0.297	0.941	2.386
2012	1.057	0.061	1.118	0.298	0.972	2.388

Source: District Records and Municipal Tax Collector

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy . The levy when added to other components of the district's net budget may not exceed the pre-budget year net budget by more than the spending growth limitation calculation

a The district's basic tax rate is calculated from the A4F form which is submitted with the buc Net Valuation Taxable.

b Rates for debt service are based on each year's requirements.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

<u>Taxpayer</u>	<u>2021</u>		<u>2012</u>	
	<u>Taxable Assessed Value</u>	<u>% of Total District Net Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>% of Total District Net Assessed Value</u>
Mannington Mills INC	\$ 30,249,500	17.42%	\$ 42,676,600	19.58%
Golden Rehab & Nursing	4,065,000	2.34%	4,065,000	1.87%
Woodstown Urban Renewal LLC	1,860,000	1.07%		
Mannington Holding LLC	1,450,000	0.83%		
ISE America, INC	932,300	0.54%	1,122,700	0.52%
Taxpayer #1	868,400	0.50%		
Taxpayer #2	866,100	0.50%		
Lougin LLC	803,200	0.46%		
Waldac Farm	715,300	0.41%	959,200	0.44%
RJS Holdings INC	700,000	0.40%		
Salem Hospital Co			34,730,800	15.94%
Marino Brothers			1,160,000	0.53%
Four B's			1,200,000	0.55%
Salem Farms			1,286,100	0.59%
ACJM & M Enterpr			1,025,000	0.47%
Total	\$ 42,509,800	24.47%	\$ 88,225,400	40.48%

Source: District CAFR & Municipal Tax Assessor

MANNINGTON TOWNSHIP SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	% of Levy	
2021	\$ 3,015,681	\$ 3,015,681	100%	\$
2020	2,960,359	2,960,359	100%	
2019	2,840,727	2,840,727	100%	
2018	2,778,226	2,867,483	100%	
2017	2,867,483	2,867,483	100%	
2016	2,736,051	2,736,051	100%	
2015	2,706,642	2,706,642	100%	
2014	2,539,162	2,539,162	100%	
2013	2,491,085	2,491,085	100%	
2012	2,443,801	2,443,801	100%	

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

Note: School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance, the amount voted upon or certified prior to the end of the school year.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Total District	Percentage of Personal Income ^a	
	General Obligation Bonds ^b	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Per Capita ^a			
2021	\$ 715,000	\$	\$	\$	\$ 715,000	0.83%	\$ 419	
2020	855,000				855,000	1.05%	501	
2019	995,000				995,000	1.22%	580	
2018	1,130,000				1,130,000	1.39%	660	
2017	1,265,000				1,265,000	1.57%	739	
2016	1,400,000				1,400,000	1.79%	817	
2015	1,463,000				1,463,000	1.89%	849	
2014	1,563,000	37,066			1,600,066	2.13%	917	
2013	1,658,000	71,968			1,729,968	2.34%	984	
2012	1,748,000	104,831			1,852,831	2.51%	1,044	

* Estimate

Source: District CAFR Schedules I-1, I-2

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

- a** See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.
- b** Includes Early Retirement Incentive Plan (ERIP) refunding

MANNINGTON TOWNSHIP SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions			
2021	\$ 715,000	\$	\$ 715,000	0.387%	\$ 419 *
2020	855,000		855,000	0.450%	501
2019	995,000		995,000	0.501%	580
2018	1,130,000		1,130,000	0.570%	660
2017	1,265,000		1,265,000	0.647%	739
2016	1,400,000		1,400,000	0.695%	817
2015	1,463,000		1,463,000	0.704%	849
2014	1,563,000		1,563,000	0.730%	896
2013	1,658,000		1,658,000	0.751%	943
2012	1,748,000		1,748,000	0.775%	985

* Estimate

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

a See Exhibit NJ J-6 for property tax data.

b Population data can be found in Exhibit NJ J-13.

If a district has resources that are restricted to repaying the principal of debt outstanding, these amounts should be shown in a separate column "Deductions" and be subtracted from the total, and the schedule should be named ratios of net general bonded debt outstanding.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2021
(UNAUDITED)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes			
Township of Mannington	\$ 50,000	100.00%	\$ 50,000
Other Debt			
County of Salem - Township's Share	38,650,075	3.7%	1,415,313
Subtotal, Overlapping Debt			<u>1,465,313</u>
Mannington Township School District Direct Debt			<u>715,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 2,180,313</u></u>

Sources: Mannington Township Finance Officer and Salem County Finance Office

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

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

MANNINGTON TOWNSHIP SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
 (UNAUDITED)

Legal Debt Margin Calculation for Fiscal Year 2020

	Equalized Valuation Basis	
	2020	\$ 192,914,803
	2019	187,174,755
	2018	190,782,780
	[A]	\$ 570,872,338
Average Equalized Valuation of Taxable Property	[A/3]	\$ 190,290,779
Debt Limit (3% of Average Equalization Value)	[B]	5,708,723 ^a
Net Bonded School Debt	[C]	715,000
Legal Debt Margin	[B-C]	\$ 4,993,723

Fiscal Year,

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt Limit	\$ 6,452,586	\$ 6,521,149	\$ 6,337,079	\$ 6,156,737	\$ 6,127,039	\$ 6,144,504	\$ 6,142,195	\$ 5,949,885	\$ 5,791,753	\$ 5,708,723
Total Net Debt Applicable to Limit	1,748,000	1,658,000	1,563,000	1,463,000	1,400,000	1,265,000	1,130,000	995,000	855,000	715,000
Legal Debt Margin	<u>\$ 4,704,586</u>	<u>\$ 2,643,313</u>	<u>\$ 4,774,079</u>	<u>\$ 4,693,737</u>	<u>\$ 4,727,039</u>	<u>\$ 4,879,504</u>	<u>\$ 5,012,195</u>	<u>\$ 4,954,885</u>	<u>\$ 4,936,753</u>	<u>\$ 4,993,723</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	27%	25%	25%	24%	23%	21%	18%	17%	15%	13%

Source: Abstract of Ratables and District Records CAFR Schedule J-7

^a Limit set by NJSA 18A:24-19 for a K through 8 district; other % limits would be applicable for other districts

MANNINGTON TOWNSHIP SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

<u>Year</u>	<u>Population</u> ^a	<u>Personal Income (thousands of dollars)</u> ^b	<u>Per Capita Personal Income</u> ^c	<u>Unemployment Rate</u> ^d
2021	** 1,704	\$ 85,738,971	\$ 50,303	7.79%
2020	1,713	81,139,768	50,253	8.20%
2019	1,714	81,466,039	50,203	3.90%
2018	1,713	81,242,374	48,105	4.60%
2017	1,711	80,743,801	46,715	6.10%
2016	1,714	78,038,420	45,932	5.70%
2015	1,724	77,561,036	45,220	7.30%
2014	1,745	75,185,070	43,240	7.90%
2013	1,757	73,881,708	42,218	10.00%
2012	1,773	73,888,874	41,672	10.30%

Source:

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

^b Personal income

^c Per Capita

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

** Estimate

MANNINGTON TOWNSHIP SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

<u>Employer*</u>	<u>2021</u>		<u>2012</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
PSE&G	1600	5.23%		
E.I DuPont	1094	3.57%		
Mannington Mills	1078	3.52%	610	53.33%
Memorial Hospital of Salem County	775	2.53%	600	38.00%
Atlantic City Electric	543	1.77%		
R.E Pierson Construction	400	1.31%		
Elmer Hospital	400	1.31%		
Anchor Glass	376	1.23%		
McLane NJ	370	1.21%		
Walmart	251	0.82%		
Salem County Corrections Facility			170	7.93%
Salem County VoTech School			154	7.67%
Salem County Nursing Home			100	7.33%
Mannington Twp. School			31	2.20%
	<u>6,887</u>	<u>22.5%</u>	<u>1,665</u>	<u>91.33%</u>

Source: Salem County Economic Resource Guide

* Salem County

2012 Information is Mannington Township

MANNINGTON TOWNSHIP SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

<u>Function/Program</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Instruction										
Regular	14.8	14.8	14.8	14.8	14.6	15.6	15.2	16.6	17	18
Special Education	2.0	2.0	2.0	1.0	1.0	2.0	2.0	2.0	2.0	3.0
Other Special Education	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Vocational	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Instruction	5.5	5.5	5.5	5.0	4.0	4.0	4.0	3.0	4.0	3.0
Nonpublic School Programs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adult/Continuing Education Programs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Support Services:										
Tuition	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Student & Instruction Related Services	0.6	0.6	0.6	0.6	0.6	0.5	1.0	1.0	1.0	1.6
General Administrative Services	2.5	2.5	2.5	2.5	2.5	1.5	1.0	1.0	1.0	1.0
School Administrative Services	0.5	0.5	0.5	0.5	0.5	0.5	1.0	1.0	1.0	1.0
Business Administrative Services	0.0	0.0	0.0	0.0	1.0	1.0	1.4	2.0	2.0	2.0
Plant Operations and Maintenance	2.0	2.0	2.0	2.0	2.0	2.0	1.0	1.0	1.0	2.0
Pupil Transportation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Special Schools	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Food Service	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.4	1.4	1.4
SACC									1.6	0.4
Totals	<u>29.4</u>	<u>29.4</u>	<u>29.4</u>	<u>27.9</u>	<u>27.7</u>	<u>28.6</u>	<u>28.1</u>	<u>29.00</u>	<u>32.00</u>	<u>33.4</u>

Source: District Personnel Records

MANNINGTON TOWNSHIP SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures</u> ^a	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff</u> ^b	<u>Pupil/Teacher Ratio Elementary</u>	<u>Average Daily Enrollment (ADE)</u> ^c	<u>Average Daily Attendance (ADA)</u> ^c	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2012	152	\$ 3,311,270	21,785	15.33%	20.0	1:13	166.8	159.9	-6.13%	95.86%
2013	183	3,424,402	18,713	-14.10%	20.0	1:13	178.9	174.2	7.25%	97.37%
2014	178	3,493,318	19,625	4.88%	18.0	1:13	176.0	169.2	-1.62%	96.14%
2015	181	3,354,986	18,536	-5.55%	16.0	1:11	181.2	172.7	2.93%	95.33%
2016	186	3,168,980	17,038	-8.08%	16.0	1:11	183.2	175.9	1.13%	96.02%
2017	158	3,428,697	21,701	27.37%	17.6	1:09	157.9	152.9	-13.83%	96.85%
2018	152	3,514,358	23,121	35.70%	17.2	1:09	154.9	147.2	-1.88%	95.03%
2019	162	3,955,398	24,416	12.51%	18.6	1:11	160.4	153.9	3.55%	95.95%
2020	190	4,132,943	21,752	0.24%	19.0	1:10	190.0	183.7	18.45%	96.68%
2021	169	4,434,673	26,241	20.92%	21.0	1:12	169.0	166.6	5.36%	98.58%

Sources: District records, ASSA.

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-1
- 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).

MANNINGTON TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>District Building</u>										
<u>Elementary</u>										
Mannington Township School(19..)										
Square Feet	27,318	27,318	27,318	27,318	27,318	27,318	27,318	27,318	27,318	27,318
Capacity (students)	300	300	300	300	300	300	300	300	300	300
Enrollment	167	183	183	181	179	157	152	162	190	169

Number of Schools at June 30, 2021

 Elementary = 1

Source: District records

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of any additions.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE EXPENDITURES FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
 (UNAUDITED)

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

<u>School Facilities</u>	<u>Gross Square Footage</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Mannington Township School	27,318	\$ 82,699	\$ 74,315	\$ 100,859	\$ 75,656	\$ 65,158	\$ 53,833	\$ 36,083	\$ 39,939	\$ 35,933	\$ 37,135
Total School Facilities		<u>82,699</u>	<u>74,315</u>	<u>100,859</u>	<u>75,656</u>	<u>65,158</u>	<u>53,833</u>	<u>36,083</u>	<u>39,939</u>	<u>35,933</u>	<u>37,135</u>
Other Facilities											
Grand Total		<u>\$ 82,699</u>	<u>\$ 74,315</u>	<u>\$ 100,859</u>	<u>\$ 75,656</u>	<u>\$ 65,158</u>	<u>\$ 53,833</u>	<u>\$ 36,083</u>	<u>\$ 39,939</u>	<u>\$ 35,933</u>	<u>\$ 37,135</u>

* Data not available for FY 2001

MANNINGTON TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(UNAUDITED)

<u>Company</u>	<u>Type of Coverage</u>	<u>Coverage</u>	<u>Deductible</u>
New Jersey School Boards Association Insurance Group	Blanket Building & Personal Property	\$ 500,000,000	\$ 1,000
	Commercial General Liability	31,000,000	
	Electronic Data processing	268,025	1,000
	Boiler and Machinery	100,000,000	1,000
	Commercial Crime	100,000	1,000
	Legal Liability	5,000,000	5,000
	Pollution Liability	1,000,000	250,000
	Business Automobile	11,000,000	1,000
	Workers' Compensation	3,000,000	
Berkley Insurance Co.	Student Accident	1,000,000	
United States Fire Insurance Company	Catastrophic Student Accident Coverage		
	Maximum Benefit per Participant	5,000,000	25,000
	Cash Benefit - Maximum Benefit	500,000	
The Ohio Casualty Insurance Company	Surety Bonds		
	Board Secretary/Business Administrator	160,000	

SINGLE AUDIT SECTION

NIGHTLINGER, COLAVITA & VOLPA

A Professional Association

Certified Public Accountants

991 S. Black Horse Pike
P.O. Box 799
Williamstown, NJ 08094

(856) 629-3111
Fax (856) 728-2245
www.colavita.net

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

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Mannington Township School District
County of Salem, New Jersey 08079

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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Mannington Township School District, in the County of Salem, State of New Jersey, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Board of Education of the Mannington Township School District's basic financial statements, and have issued our report thereon dated February 1, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Mannington Township Board of Education'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 Mannington Township Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the Mannington Township Board of Education'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 significant deficiencies or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters


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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, PA



Raymond Colavita, CPA
Licensed Public School Accountant
No. 915
February 1, 2022

NIGHTLINGER, COLAVITA & VOLPA

A Professional Association

Certified Public Accountants

991 S. Black Horse Pike
P.O. Box 799
Williamstown, NJ 08094

(856) 629-3111
Fax (856) 728-2245
www.colavita.net

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY IN ACCORDANCE WITH NEW JERSEY OMB CIRCULAR 15-08

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Mannington Township School District
County of Salem, New Jersey 08079

Report on Compliance for Each Major State Program

We have audited the Board of Education of the Mannington Township School District, in the County of Salem, State of New Jersey, compliance with the types of compliance requirements described in the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Mannington Township School District's major state programs for the fiscal year ended June 30, 2021. The Mannington Township Board of Education's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with state statutes, regulations, and the terms and conditions of its state awards applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Mannington Township Board of Education's major state programs based on our audit of the types of compliance requirements referred to above. 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, audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and New Jersey Treasury Circular OMB 15-08. Those standards and the State of *New Jersey Treasury Circular OMB 15-08*, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred.

An audit includes examining, on a test basis, evidence about the Mannington Township Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of Mannington Township Board of Education's compliance.

Opinion on Each Major State Program

In our opinion, the Board of Education of the Mannington Township School District, in the County of Salem, State of New Jersey, 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 state programs for the fiscal year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the Mannington Township School District's Board of Education is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Mannington Township Board of Education's internal control over compliance with the types of requirements that could have a direct and material effect on a major state program as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with State of New Jersey OMB Treasury 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Mannington Township School District Board of Education's 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 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 the 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 significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above or any instance of deficiency in internal control over compliance that we have to report to the Board of Education in a separate report entitled *Auditors' Management Report on Administrative Findings-Financial, Compliance and Performance* dated February 1, 2022. However, material weaknesses may exist that have not been identified.

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 State of New Jersey Treasury Circular OMB 15-08. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, PA


Raymond Colavita, CPA
Licensed Public School Accountant
No. 915
February 1, 2022

**TOWNSHIP OF MANNINGTON SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (SCHEDULE A)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Federal Grantor/Pass-Through Grant Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant From	Period To	Balance at June 30, 2020			Cash Received	Budgetary Expenditures Pass Through Funds	Budgetary Expenditures Direct	Total Budgetary Expenditures (A)	Balance at June 30, 2021		
							Accounts Receivable	Unearned Revenue	Due to Grantor					Accounts Receivable	Unearned Revenue	Due to Grantor
U.S. Department of Education																
Passed-through State Department of Education:																
Special Revenue Fund:																
E.S.E.A.:																
Title I, Part A	84.010	S010A200030	ESEA-2950-21	\$ 99,093	7/1/20	9/30/21				\$ 33,003	\$ (92,349)		\$ (92,349)	\$ (59,346)		
Title I, Part A	84.010	S010A200030	ESEA-2950-20	99,389	7/1/19	9/30/20	\$ (54,830)			54,830			\$ (92,349)	\$ (59,346)		
Title I, Reallocated	84.010	S010A190030	ESEA-2950-20	4,332	7/1/20	9/30/21				4,332	(4,332)		(4,332)			
Title II, Part A	84.367A	S367A200029	ESEA-2950-21	5,229	7/1/20	9/30/21					(4,887)		(4,887)	(4,887)		
Title II, Part A	84.367A	S367A200029	ESEA-2950-20	6,210	7/1/19	9/30/20	(2,175)			2,175			(4,887)	(4,887)		
Title IV	84.424A	S424A200031	ESEA-2950-21	15,845	7/1/20	9/30/21				267	(2,450)		(2,450)	(2,183)		
Title IV	84.424A	S424A200031	ESEA-2950-20	10,000	7/1/19	9/30/20	(2,171)			2,171			(2,450)	(2,183)		
IDEA Cluster:																
I.D.E.A. Part B, Basic Regular	84.027A	H027A200100	IDEA-2950-21	58,136	7/1/20	9/30/21				38,819	(58,136)		(58,136)	(19,317)		
I.D.E.A. Part B, Pre-School	84.173	H173A200114	IDEAPS-2950-21	863	7/1/20	9/30/21				863	(863)		(863)			
Rural Education Achievement Prog	84.358A	S358A202493	REAP-2950-20	13,738	7/1/20	9/30/21				13,738	(13,738)		(13,738)			
Rural Education Achievement Prog	84.358A	S358A192085	REAP-2950-19	12,337	7/1/19	9/30/20	(10,492)			10,492			(13,738)			
Covid Relief Fund	21.019	N/A	21E00041	10,153	7/1/20	12/31/20				10,153	(10,153)		(10,153)			
Digital Divide Discretionary Grant	84.425D	S425D200027	N/A	8,607	7/16/20	10/31/20				8,607	(8,607)		(8,607)			
CARES ACT 2020/ESSER	84.425D	S425D200027	CARES-2950-20	83,917	3/13/20	09/30/22					(70,562)		(70,562)	(70,562)		
Total Special Revenue Fund							(69,668)			179,450	(266,077)		(266,077)	(156,295)		
U.S. Department of Agriculture																
Passed-through State Department of Education:																
Enterprise Fund:																
Non-Cash Assistance:																
Food Distribution Program	10.565	Unknown	N/A	5,150	7/1/20	6/30/21				5,150	(5,150)		(5,150)			
Child Nutrition Cluster:																
Cash Assistance:																
National School Breakfast Program	10.553	201NJ304N1099	N/A	12,835	7/1/19	6/30/20	(3,214)			3,214			(13,540)	(952)		
National School Breakfast Program	10.553	211NJ304N1099	N/A	13,540	7/1/20	6/30/21				12,588	(13,540)		(13,540)			
National School Lunch Program	10.555	201NJ304N1099	N/A	30,310	7/1/19	6/30/20	(5,084)			5,084			(13,540)			
National School Lunch Program	10.555	211NJ304N1099	N/A	36,662	7/1/20	6/30/21				33,648	(36,662)		(36,662)	(3,014)		
Total Enterprise Fund							(8,298)			59,684	(55,352)		(55,352)	(3,966)		
Total Federal Financial Awards							\$ (77,966)			\$ 239,134	\$ (321,429)		\$ (321,429)	\$ (160,261)		

(A) There were no awards passed through to subrecipients.

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

These funds were not audited in accordance with the Uniform Guidance since the total of all grant expenditures did not exceed \$750,000.

TOWNSHIP OF MANNINGTON SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE (SCHEDULE B)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2020		Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Balances at June 30, 2021			MEMO		
			From	To	Accounts Receivable	Unearned Revenue				(Accounts Receivable)	Unearned Revenue	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures	
State Department of Education															
General Fund:															
Equalization Aid	20-495-034-5120-078	33,846	7/1/19	6/30/20	\$ (3,161)			\$ 3,161							
Equalization Aid	21-495-034-5120-078	33,846	7/1/20	6/30/21				30,885	\$ (33,846)	\$ (2,961)			* \$ (2,961)	\$ (33,846)	
Transportation Aid	20-495-034-5120-014	117,432	7/1/19	6/30/20	(10,970)			10,970							
Transportation Aid	21-495-034-5120-014	117,432	7/1/20	6/30/21				107,160	(117,432)	(10,272)			* (10,272)	(117,432)	
Special Education Categorical Aid	20-495-034-5120-089	106,577	7/1/19	6/30/20	(9,956)			9,956							
Special Education Categorical Aid	21-495-034-5120-089	106,577	7/1/20	6/30/21				97,255	(106,577)	(9,322)			* (9,322)	(106,577)	
Security Aid	20-495-034-5120-084	9,905	7/1/19	6/30/20	(2,794)			2,794							
Security Aid	21-495-034-5120-084	29,905	7/1/20	6/30/21				27,289	(29,905)	(2,616)			* (2,616)	(29,905)	
Adjustment Aid	20-495-034-5120-085	202,672	7/1/19	6/30/20	(18,932)			18,932							
Adjustment Aid	21-495-034-5120-085	147,375	7/1/20	6/30/21				134,484	(147,375)	(12,891)			* (12,891)	(147,375)	
Reimbursed TPAF SS Contribution	21-495-034-5094-003	110,025	7/1/20	6/30/21				104,438	(110,025)	(5,587)			* (110,025)	(110,025)	
On-Behalf TPAF Post Retirement Medica	21-495-034-5094-001	120,916	7/1/20	6/30/21				120,916	(120,916)				*	(120,916)	
On-Behalf TPAF Long-Term Disability	21-495-034-5094-004	410	7/1/20	6/30/21				410	(410)				*	(410)	
On-Behalf TPAF Pension Contribution	21-495-034-5094-002	385,838	7/1/20	6/30/21				385,838	(385,838)				*	(385,838)	
Total General Fund					(45,813)			1,054,488	(1,052,324)	(43,649)				(38,062)	(1,052,324)
Special Revenue Fund:															
Preschool Education Aid	20-495-034-5120-086	269,157	7/1/19	6/30/20	(26,916)	\$ 16,859	\$ (16,859)	26,916							
Preschool Education Aid	21-495-034-5120-086	338,910	7/1/20	6/30/21			16,859	305,019	(338,658)	(33,891)	\$ 17,111		* (33,891)	(338,658)	
Total Special Revenue Fund					(26,916)	16,859		331,935	(338,658)	(33,891)	17,111			(33,891)	(338,658)
Debt Service Fund:															
Debt Service Aid Type II	19-495-034-5120-017	53,211	7/1/19	6/30/20				53,211	(53,211)				*	(53,211)	
State Department of Agriculture															
Enterprise Fund:															
State School Lunch Program	20-100-010-3350-022	869	7/1/19	6/30/20	(262)			262							
State School Lunch Program	21-100-010-3350-023	1,873	7/1/20	6/30/21				1,473	(1,873)	(400)			*	(1,873)	
Total Enterprise Fund					(262)			1,735	(1,873)	(400)				(1,873)	
Total State Financial Assistance					\$ (72,991)	\$ 16,859	\$	\$ 1,441,369	\$ (1,446,066)	\$ (77,940)	\$ 17,111			\$ (71,953)	\$ (1,446,066)
Less: On-Behalf TPAF Pension System Contributions															
On-Behalf TPAF Post Retirement Medica	21-495-034-5094-001	120,916	7/1/20	6/30/21				\$ 120,916	\$ (120,916)						
On-Behalf TPAF Long-Term Disability	21-495-034-5094-004	410	7/1/20	6/30/21				410	(410)						
On-Behalf TPAF Pension Contribution	21-495-034-5094-002	385,838	7/1/20	6/30/21				385,838	(385,838)						
Total State Financial Assistance - Major Program Determination								\$ 934,205	\$ (938,902)						

See accompanying notes to schedules of financial assistance

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2021

NOTE 1: GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Board of Education, Mannington Township School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. 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 schedules of expenditures of federal awards and state financial assistance.

NOTE 2: BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 2 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of 2 CFR 200- *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey Treasury Circular OMB 15-08. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District has elected not to use the 10-percent de minimis indirect cost rate allowed under Uniform Guidance.

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.

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 June aid 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 \$7,751 for the general fund and (\$4,988) for the special revenue fund. See Note 2 (the Notes to Required Supplementary Information) 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 revenues are reported in the Board's basic financial statements on a GAAP basis as presented on the following page:

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2021
(Continued)

	Federal	State	Total
General Fund	\$	\$ 1,060,075	\$ 1,060,075
Special Revenue Fund	248,648	331,683	580,331
Debt Service		53,211	53,211
Food Service Fund	<u>55,352</u>	<u>1,873</u>	<u>57,225</u>
 Total Financial Assistance	 \$ <u>304,000</u>	 \$ <u>1,446,842</u>	 \$ <u>1,750,842</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 Mannington School District had no federal or state loan balances outstanding at June 30, 2021.

NOTE 6: OTHER

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, if any, represents the amount paid by the state on behalf of the district for the year ended June 30, 2021. 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, 2021.

NOTE 7: SCHOOLWIDE PROGRAM FUNDS

As the District's Federal Programs are on a targeted student group basis, except for ESEA grants that are schoolwide programs.

NOTE 8: MAJOR PROGRAMS

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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 deficiencies identified? _____ yes X none reported

Noncompliance material to basic financial statements noted? _____ yes X no

Federal Awards N/A

Internal control over major programs:

- 1) Material weakness (es) identified? _____ yes _____ no
- 2) Significant deficiencies identified? _____ yes _____ none reported

Type of auditor's report issued on compliance for major programs: **N/A**

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

Identification of major programs:

CFDA Number(s)	FAIN Number(s)	Name of Federal Program or Cluster
N/A		

Dollar threshold used to distinguish between type A and type B programs: **N/A**

Auditee qualified as low-risk auditee? _____ yes _____ no

MANNINGTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(continued)

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

State Awards

Dollar threshold used to distinguish between type A and type B 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 deficiencies identified that are not considered to be material weaknesses? 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 NJOMB Treasury Circular Letter 15-08 yes X no

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
21-495-034-5120-078	Equalization Aid
21-495-034-5120-089	Special Education Categorical Aid
21-495-034-5120-084	Security Aid
21-495-034-5120-085	Adjustment Aid

**MANNINGTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(continued)**

Section II - Financial Statement Findings

This section identifies the significant deficiencies, material weakness, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, and abuse related to the financial statements for which Government Auditing Standards requires reporting and with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey that requires reporting in the Uniform Guidance, New Jersey OMB Treasury Circular 15-08 audit.

Finding: N/A

Criteria or specific requirement:

Condition:

Context:

Effect:

Cause:

Recommendation:

Views of responsible officials and planned corrective actions:

MANNINGTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(continued)

Section III - Federal Awards and State Financial Assistance
Findings and Questioned Costs

This section identifies audit findings required to be reported by 2 CFR 200 section .516 of the *Uniform Administrative Requirements, Cost principles, and Audit Requirements for Federal Awards* and NJOMB Circular Letter 15-08, as applicable.

FEDERAL AWARDS - N/A

Finding:

Information on the federal program:

Criteria or specific requirement:

Condition:

Questioned Costs:

Context:

Effect:

Cause:

Recommendation:

Views of responsible officials and planned corrective actions:

STATE AWARDS

Finding: None

Information on the state program:

Criteria or specific requirement:

Condition:

Questioned Costs:

Context:

Effect:

Cause:

Recommendation:

Management's response:

**MANNINGTON TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

This section identifies the status of prior - year findings related to the basic financial statements and Federal and State awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, US OMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* section .511(a) (b) and New Jersey OMB's Treasury Circular 15-08.

STATUS OF PRIOR - YEAR FINDINGS

There were no prior year findings.