

**MANSFIELD TOWNSHIP
SCHOOL DISTRICT**

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

June 30, 2022

**Responsibility of the Management of
Mansfield Township School District
Warren County, New Jersey**



**MANSFIELD TOWNSHIP
SCHOOL DISTRICT**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2022

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Mansfield Township School District
50 Port Murray Road
Port Murray, NJ 07865

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John D. Melitsky,

Paul DeAngelo, Business Administrator
Curriculum Director
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Caryn Coscia,

March 1, 2023

Honorable President and
Members of the Board of Education
Mansfield Township School District
Warren County, New Jersey

Dear Board Members:

The annual comprehensive financial report of the Mansfield Township School District (District) for the fiscal year ending June 30, 2022, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the Management of the District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The annual comprehensive financial report is presented in four sections: Introduction, Financial, Statistical and Single Audit. The Introduction section includes this transmittal letter, the District's organizational chart and a list of principal officials. The Financial section includes the general-purpose 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 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) 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.

4) REPORTING ENTITY AND ITS SERVICES: Mansfield Township School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by Statement No. 14. All funds and account groups of the District are included in this report. The Mansfield Township Board of Education and its school constitute the District’s reporting entity. The District provides a full range of educational services appropriate to grade levels K through 6. These include regular classes and special education for handicapped youngsters. The District completed the 2021-22 fiscal year with an enrollment of 557 students, which is 25 students more than the previous year’s enrollment. The following details the changes in the student enrollment of the District over the last ten years.

AVERAGE DAILY ENROLLMENT

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2021-22	557.0	4.70%
2020-21	532.0	-9.99%
2019-20	589.4	-5.55%
2018-19	624.0	-1.45%
2017-18	633.2	-1.58%
2016-17	643.4	-5.74%
2015-16	682.6	-3.26%
2014-15	705.6	-0.35%
2013-14	708.1	0.60%
2012-13	703.9	-1.94%

2) ECONOMIC CONDITIONS AND OUTLOOK: A new housing development was presented to the Mansfield Township Planning Board. The builder was asking to change from an age-restricted development to a non-age restricted development, consisting of 159 dwellings. There was to be 20% of the housing set aside for affordable housing. All of the litigation has been completed. The development will be an age restricted development.

3) MAJOR INITIATIVES: Mansfield Township School District believes that all disciplines of the Academics and Arts are important to the development of well-educated students. To this end, all Mansfield students in grades K-6 receive rigorous academic offerings that include the use of hands-on science and interactive technology.

The district continues to focus its major initiatives on improving instruction and curriculum to boost student achievement. Teachers have implemented the New Jersey Student Learning in the areas of Mathematics and Language Arts. Committees have been formed, curriculums have been revised, and resources and professional development needs continue to be assessed and addressed as needed.

Arts are also well-represented in the district's initiatives with vocal and instrumental music classes, weekly art lessons, and biannual performances by the band and chorus. In addition, the gifted and talented program includes students in grades K-6. These offerings continue as essential components of the District's programming.

The major initiatives in technology for the 2021-2022 school year included purchasing additional teacher and student laptops and Viewsonic Smart Boards. The district continues to utilize E-rate funding to support technology contracts.

The school completed an HVAC repair and replacement through the use of Capital Funds.

In terms of achievement, we continually assess and add to the achievement tools for improving the educational and instruction for Mansfield Elementary School. The school hired a Director of Curriculum to assist the school with student improvement.

The district utilized FEMA for their assistance with COVID-19 pandemic PPE supplies and hired a shared nurse through the use of FEMA funding.

Improving security continues to be a high priority. We will continue to improve the security footprint of the school property.

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:

- A. The cost of a control should not exceed the benefits likely to be derived; and
- B. The valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the District also is 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 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. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

6) ACCOUNTING SYSTEM: 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 a basis of funds and account groups. These funds and account groups are explained in Notes to the Financial Statements, Note 1.

7) DEBT ADMINISTRATION: The District's voters approved a \$6,685,000 referendum in March of 2014. There is a zero net cost to the taxpayers for this new debt since the Board timed the new debt to begin after the final payment was made on the 1995 "COP" lease purchase obligation. The referendum monies will be used to replace the fire alarm system, the original boilers and control system, the uni-vent systems in 23 classrooms, bathrooms, lighting, ceilings, the roof on every section except for the 2004 addition, asbestos removal, interior and exterior doors and locks, the original kitchen equipment, finish the final phase of the windows project, replace the windows in the All Purpose Room, add a storage building, add additional storage throughout the school, replace the clocks throughout the school, water treatment, and parking lot replacement. The district explored the refinance of the 2014 debt; however, the market was not favorable at the time of closing. The district will continue to monitor these costs saving initiatives.

8) CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in the Notes to the Financial Statements, Notes 1 and 3. The district has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in 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 BKC, CPAs, PC was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and State Treasury OMB Circular Letter 15-08. The auditor's report on the general financial statements and combined and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

11) ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the Mansfield Township School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff. Special thanks is also extended to the staff of the audit firm for assistance with preparing the ACFR.

Respectfully submitted,

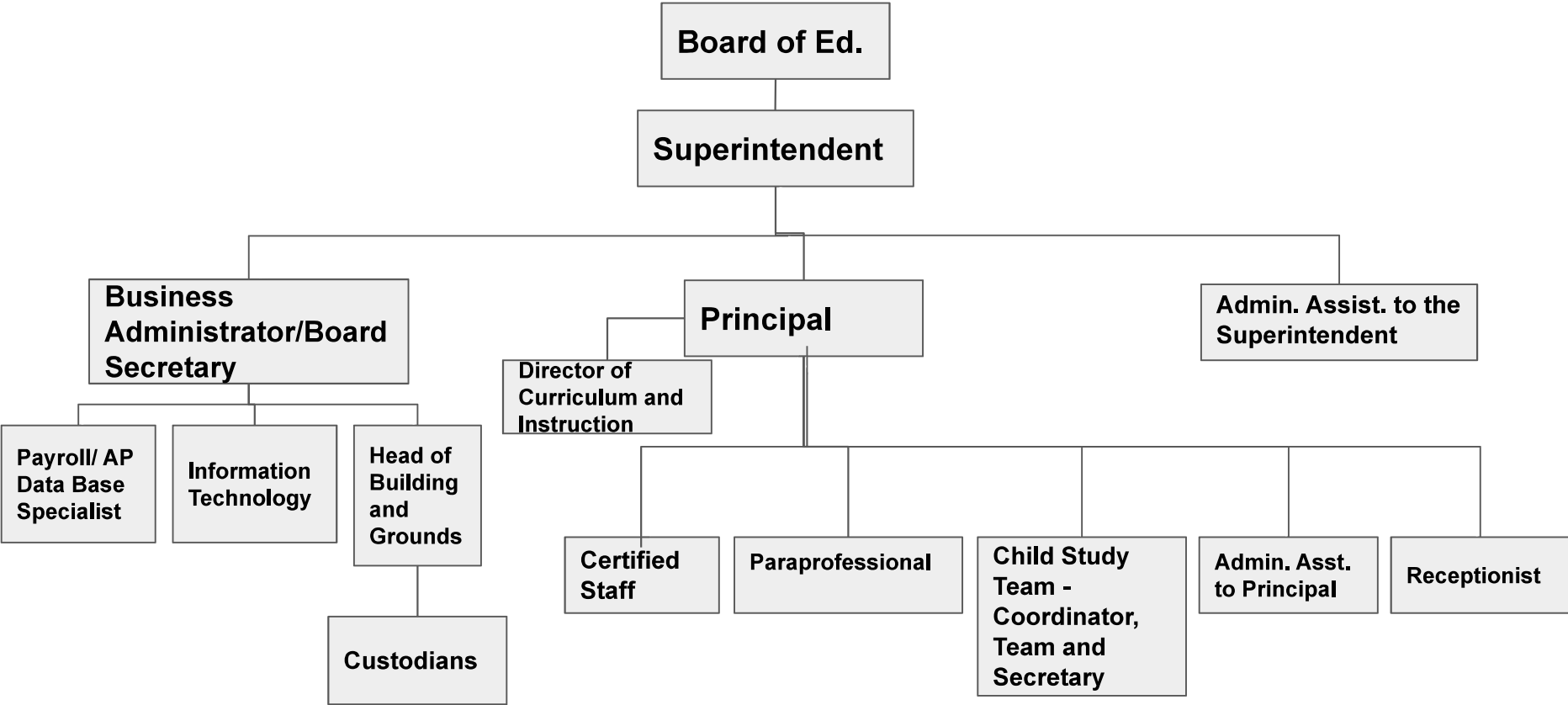


Dr. Anthony Giordano
Superintendent



Paul DeAngelo
Business Administrator/Board Secretary

MANSFIELD TOWNSHIP SCHOOL DISTRICT ORGANIZATIONAL CHART SEPTEMBER 2021



Created July 22, 2021

MANSFIELD TOWNSHIP SCHOOL DISTRICT
50 Port Murray Road
Port Murray, NJ 07865
June 30, 2022

Roster of Officials

<u>Members of the Board of Education</u>	<u>Title</u>	<u>Term Expires</u>
Karri Reyes		2022
James Momary		2022
Diane Margolin		2024
Constance Quinn		2024
Linda Watters		2024
Mark Smith	Vice President	2022
Annamaria Lalevee		2023
Krysti Mastrolacasa	President	2023
Joseph Rodriguez		2023
<u>Other Officials</u>	<u>Title</u>	
Dr. Anthony Giordano	Superintendent	
Paul DeAngelo	Business Administrator/Board Secretary	
Andrew Coppola	Treasurer	

MANSFIELD TOWNSHIP SCHOOL DISTRICT
50 Port Murray Road
Port Murray, NJ 07865
June 30, 2022

Consultants and Advisors

AUDITOR

BKC, CPAs, PC
Certified Public Accountants
39 State Route 12, Ste 2
Flemington, NJ 08822

ATTORNEYS

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OFFICIAL DEPOSITORIES

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Hackettstown, NJ 07840



Certified Public Accountants, PC
www.bkc-cpa.com

Independent Auditors' Report

Honorable President and
Members of the Board of Education
Mansfield Township School District
Columbus, New Jersey

Report on the Financial Statements

Opinion

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 Mansfield Township School District (the District) in the County of Warren, as of and for the year ended June 30, 2022, and the related Notes to the Financial Statements, which collectively comprise the District's Basic Financial Statements as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Schedules, Schedules Related to Accounting and Reporting for Pensions, and Schedules Related to Accounting and Reporting for Other Postemployment Employee Benefits listed in the Table of Contents be presented to supplement the Basic Financial Statements. Such information is the responsibility of Management and, although not a part of the Basic Financial Statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the Basic Financial Statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of Management about the methods of preparing the information and comparing the information for consistency with Management's responses to our inquiries, the Basic Financial Statements, and other knowledge we obtained during our audit of the Basic Financial Statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's Basic Financial Statements. The Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* and Schedule of Expenditures of State Financial Assistance required by New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* are also presented for purposes of additional analysis not a required part of the Basic Financial Statements.

Such information is the responsibility of Management and were derived from and relates directly to the underlying accounting and other records used to prepare the Basic Financial Statements. The information has been subjected to the auditing procedures applied in the audit of the Basic Financial Statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the Basic Financial Statements or to the Basic Financial Statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards, and Schedule of Expenditures of State Financial Assistance are fairly stated, in all material respects, in relation to the Basic Financial Statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory, Combining and Individual Non-Major Fund Financial Schedules and Statistical Sections but does not include the Basic Financial Statements and our auditor's report thereon. Our opinion on the Basic Financial Statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the Basic Financial Statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the Basic Financial Statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 1, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to solely 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



BKC, CPAs, PC



Michael Holk, CPA, PSA
NO. 20CS00265600

March 1, 2023
Flemington, New Jersey

REQUIRED SUPPLEMENTARY INFORMATION - PART I

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
Unaudited

The discussion and analysis of Mansfield Township School District's financial performance provide an overall review of the District's financial activities for the fiscal year ended June 30, 2022. The intent of this discussion and analysis is to look at the School District's financial performance as a whole. Readers should also review the transmittal letter, the basic financial statements and notes to enhance their understanding of the District's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in Governmental Accounting Standards Board's (GASB) Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis of State and Local Governments*, issued in June 1999.

Financial Highlights

- In total, net position increased \$164,410 which is a 4.05% increase from fiscal year 2021.
- General revenue accounted for \$15,099,477 in revenue or 89.92% of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$1,693,310 or 10.08% to the total revenue of \$16,792,787.
- The School District had \$16,628,377 in expenses; only \$1,693,310 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes and state aid) were \$15,099,477.
- Among governmental funds, the general fund had \$12,796,625 in revenues, \$13,215,747 in expenditures and 2,125 in other financing uses. The general fund's fund balance decreased by \$421,247 from fiscal year 2021.

Using this Annual Comprehensive Financial Report (ACFR)

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

The Statement of Net Position and Statement of Activities provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a long-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the district's most significant funds with all other non-major funds presented in total in one column. In the case of the Mansfield Township School District, the general fund is by far the most significant fund.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
Unaudited

Reporting the District as a Whole

Statement of Net Position and the Statement of Activities

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

These two statements report the District's net position and changes in net position. This change in net position is important because it tells the reader that, for the District as a whole, the financial position of the 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 conditions, required educational programs and other factors.

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

- Government activities - All of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- Business-type activity - This service is provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The Food Service, Child Care, and the Summer Recreation enterprise funds are reported as business activities.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund Financial Statements provide detail information about the District's funds. The District uses many funds to account for a multitude of financial transactions. The District's governmental funds are the general fund, special revenue fund, capital projects fund and debt service fund.

Governmental Funds

The District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future. These funds measure and report the "operating results" by measuring cash on hand and other assets that can be easily converted into cash. The governmental fund statements provide a detailed short-term view of the

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
Unaudited

District's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Enterprise Funds

The enterprise funds use the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

Notes to the Financial Statements

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

The District as a Whole

The Statement of Net Position provides the perspectives of the District as a whole, showing assets, liabilities, and the difference between them (net position). Net position may serve over time as a useful indicator of a government's financial position.

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

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
Unaudited

Table 1 provides a summary of the District's net position at June 30, 2022, with comparisons to June 30, 2021.

Table 1
Net Position

	06/30/22	06/30/21	Variance	
			Dollars	%
Assets				
Current & other assets	\$ 2,088,027	\$ 2,226,886	\$ (138,859)	-6.24%
Capital assets	9,407,862	9,614,190	(206,328)	-2.15%
Total assets	<u>11,495,889</u>	<u>11,841,076</u>	<u>(345,187)</u>	<u>-2.92%</u>
Deferred outflows of resources				
Deferred amount on pension activity	387,052	474,537	(87,485)	-18.44%
Liabilities				
Long-term liabilities	6,528,403	7,234,880	(706,477)	-9.76%
Other liabilities	303,966	278,048	25,918	9.32%
Total liabilities	<u>6,832,369</u>	<u>7,512,928</u>	<u>(680,559)</u>	<u>-9.06%</u>
Deferred inflows of resources				
Deferred amount on pension activity	831,169	747,692	83,477	11.16%
Net position				
Net investment in capital assets	4,547,862	4,454,190	93,672	2.10%
Restricted	1,266,786	1,308,699	(41,913)	-3.20%
Unrestricted	(1,595,245)	(1,707,896)	112,651	6.60%
Total net position	<u>\$ 4,219,403</u>	<u>\$ 4,054,993</u>	<u>\$ 164,410</u>	<u>4.05%</u>

The negative balance in unrestricted net position is not a negative reflection on the District's financial condition but is the result of reporting required by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which allocates the proportionate share of the State's net pension liability for PERS to each contributing entity throughout the State.

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Table 2 provides a summary of the District's changes in net position in fiscal year ending June 30, 2022, with comparisons to fiscal year ending June 30, 2021.

Table 2
Changes in Net Position

	Fiscal Year Ending		Variance	
	06/30/22	06/30/21	Dollars	%
Revenues				
Program revenues				
Charges for services	\$ 426,370	\$ 287,926	\$ 138,444	48.08%
Operating grants	1,266,940	708,832	558,108	78.74%
General revenues				
Property taxes	6,264,110	6,053,775	210,335	3.47%
Unrestricted grants	8,825,011	9,384,706	(559,695)	-5.96%
Other	10,356	42,857	(32,501)	-75.84%
Total revenues	16,792,787	16,478,096	314,691	1.91%
Program expenses				
Instruction				
Regular	7,284,098	7,712,198	(428,100)	-5.55%
Special	2,946,130	3,141,598	(195,468)	-6.22%
Other	474,029	459,067	14,962	3.26%
Support services				
Tuition	42,341	30,928	11,413	36.90%
Student & instructional staff	2,676,505	2,699,161	(22,656)	-0.84%
General & business administration	974,313	958,034	16,279	1.70%
School administration	346,983	392,325	(45,342)	-11.56%
Maintenance	631,296	649,515	(18,219)	-2.81%
Transportation	693,768	600,861	92,907	15.46%
Food service	278,103	153,429	124,674	81.26%
Childcare program	114,192	3,903	110,289	2825.75%
Summer recreation program	2,880	-	2,880	*
Charter schools	14,030	-	14,030	*
Interest on long-term debt	149,709	157,195	(7,486)	-4.76%
Total expenses	16,628,377	16,958,214	(329,837)	-1.94%
Change in net position	\$ 164,410	\$ (480,118)	\$ 644,528	134.24%

*Undefined

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Governmental Activities

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. Property taxes made up 38.79% of revenues for governmental activities for the Mansfield School District for fiscal year 2022. Federal, state, and local grants accounted for another 59.35% of the revenues, and 1.86% was derived from charges for services and from other sources. The District's total revenues for governmental activities were \$16,150,363 for the fiscal year ended June 30, 2022.

The total cost of all program expenses and services for governmental activities was \$16,233,202.

Business-Type Activities

Food Service

Revenues for the District's business-type activities (food service program) were comprised primarily of daily food sales and federal and state reimbursements.

Food service revenues exceeded expenditures by \$160,126.

Daily food sales amounted to \$30,130. This represents amounts paid by patrons for daily food services.

Federal and State reimbursement for meals, including payments for free and reduced lunches and donated commodities, was \$408,096.

Child Care Program

Revenues for the District's childcare program were comprised of charges for services. Childcare revenues exceeded expenditures by \$90,003.

Charges for services represent \$106,195. This represents amounts paid by patrons for childcare services.

Summer Recreation Program

Revenues for the District's summer recreation program were comprised of charges for services. Summer recreation program expenditures exceeded revenues and other financing sources by \$755.

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Table 3 provides a summary of the School District's cost of governmental services in fiscal year ending June 30, 2022 and fiscal year ending June 30, 2021.

Table 3
Cost of Governmental Services

	Total Cost of Services		Net Cost of Services	
	06/30/22	06/30/21	06/30/22	06/30/21
Instruction	\$ 10,704,257	\$ 11,312,863	\$ 10,175,372	\$ 10,922,831
Support services				
Tuition	42,341	30,928	42,341	30,928
Student & instructional staff	2,676,505	2,699,161	2,368,528	2,447,297
General & business administration	974,313	958,034	972,749	956,209
School administration	346,983	392,325	346,983	392,325
Plant operations & maintenance	631,296	649,515	631,296	649,515
Pupil transportation	693,768	600,861	481,305	391,928
Food service	278,103	153,429	(160,123)	14,081
Childcare program	114,192	3,903	(90,003)	(853)
Summer recreation program	2,880	-	2,880	-
Charter schools	14,030	-	14,030	-
Interest on long-term debt	149,709	157,195	149,709	157,195
Total expenses	<u>\$ 16,628,377</u>	<u>\$ 16,958,214</u>	<u>\$ 14,935,067</u>	<u>\$ 15,961,456</u>

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

Students and instructional staff include the activities involved with assisting staff with the content and process of teaching to students and includes attendance and health services, guidance, child study teams, library services and curriculum and staff development.

General, business and school administration include expenses associated with administrative and financial supervision of the school and the District.

Operations and maintenance of facilities involve keeping the school grounds, building and equipment in an effective working condition.

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by State Law.

Interest on debt involves the transaction associated with the payment of interest and other related charges to debt of the School District.

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The School District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects fund, and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$14,031,288, expenditures were \$14,449,215 and other financing uses of \$2,125, resulting in a decrease in fund balance of \$420,052.

General Fund Budgeting Highlights

At Mansfield Township School, as in most NJ Districts, budgets are prepared in December/January with State revenue information being received in February/March and a public vote on the tax levy question in November. The budget year begins in July and runs through June 30. Changes occur over that 18-month period, unanticipated shifts in enrollment, staffing needs, students requiring out-of-district services, weather requiring more or less funding for heating, and mandated programs are often added after a budget is adopted.

The District builds a budget to meet the needs of its students based on the information and projections that are available at the time.

Capital Assets

At the end of fiscal year 2022, the District had \$9,407,862 invested in land, buildings, furniture, and equipment.

Table 4 provides a summary of the School District's capital assets net of depreciation at June 30, 2022, with comparisons to June 30, 2021.

Table 4
Capital Assets at Year-end
(Net of Depreciation)

	06/30/22	06/30/21	Variance	
			Dollars	%
Land	\$ 17,722	\$ 17,722	\$ -	0.00%
Construction in progress	-	106,184	(106,184)	-100.00%
Land improvements	198,651	143,131	55,520	38.79%
Buildings & improvements	8,809,373	8,945,162	(135,789)	-1.52%
Furniture & equipment	382,116	401,991	(19,875)	-4.94%
Total	<u>\$ 9,407,862</u>	<u>\$ 9,614,190</u>	<u>\$ (206,328)</u>	<u>-2.15%</u>

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Long Term Liabilities - Debt Administration

As of June 30, 2022, the District had \$6,528,403 of long-term liabilities. This amount is detailed below.

Table 5 provides a summary of the District's long-term liabilities at June 30, 2022, with comparisons to June 30, 2021.

Table 5
Long-term Liabilities at Year-end

	06/30/22	06/30/21	Variance	
			Dollars	%
PERS net pension liability	\$ 1,278,293	\$ 1,668,707	\$ (390,414)	-23.40%
2014 general obligation bonds	4,860,000	5,160,000	(300,000)	-5.81%
Unamortized bond premium	69,936	75,764	(5,828)	-7.69%
Compensated absences	320,174	330,409	(10,235)	-3.10%
Total	<u>\$ 6,528,403</u>	<u>\$ 7,234,880</u>	<u>\$ (706,477)</u>	<u>-9.76%</u>

The general obligation bonded debt of the District is limited by state law to 2.5% of the average equalized assessed values of the total taxable property in the District for the past three years. The legal debt limit at June 30, 2022 is \$19,133,052. General obligation debt and debt authorized at June 30, 2022 is \$4,860,000 resulting in a legal debt margin of \$14,273,052.

For the Future

Our technology goals for 2021-2022 in connection with the pandemic allowed us to foster the infusion of technology into the classroom and homes while improving school safety. Every student has a laptop and access to the internet. We continue to upgrade and replace Smart Boards with Viewsonic Boards as required. We updated our technology to increase bandwidth throughout the building.

We are committed to improving the education of our school. Our partnerships with neighboring districts allow us to reduce overall costs for educational and instructional strategies. Our teaching staff and Director of Curriculum and school counselors support our families and students. We introduced a plethora of educational materials to support the staff and students. The district received a \$120,000 before and aftercare grant which allows us to retain our staff and continue this program for the next three years.

The COVID-19 pandemic allowed us to evaluate the entire facilities, educational and instructional process at Mansfield Township Elementary School. We utilized the experience of our Board of Education, administrative team, staff, and the County to deliver the best education to our families and students. We worked with neighboring districts, vendors, and FEMA to allow the school to operate during the pandemic. Our long-range facilities plan in connection with grants and Capital Funds allowed the district to add UV protective lighting in the facilities, upgrade security in the building, and we added

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sidewalks to the building. The 2022-2023 budget will include bathrooms, media center updates, and electrical and roof maintenance.

Essential upgrades were completed at Mansfield Elementary to adequately serve the community and our students for the foreseeable future. In that spirit, the Board of Education and Administration held a bond referendum in March of 2014 for \$6,685,350 in school improvements.

As a result of the preparation of conducting the above-mentioned thorough analysis of the building needs and the opportunity to retire our existing debt along with the state agreeing to pay 44.16% of the projects' costs, the taxpayers approved a March 2014, Bond Referendum which had a zero impact on the debt service tax levy. Projects included in the 2014 Bond Referendum were:

1. Exterior: paving the back entrance and the front parking lot, replacing the sidewalk along the office parking lot, parking lot lighting.
2. HVAC: controls for the entire building, unit ventilators for the 1962 and 1976 buildings, IT room ventilation, IT control room ventilation, 2 Cleaver Brooks boilers, and 1 Pacific boiler.
3. Roof: 1962, 1976, 1997 buildings.
4. Lighting: replaced existing T-12 fixtures.
5. Doors: all exterior, Kindergarten, 3rd, 5th, and 6th bathrooms.
6. ADA hardware throughout the entire building.
7. Bathrooms: 3rd, 5th, 6th grade bathrooms, and faculty bathrooms, new bathroom in Room 31, renovated existing bathroom in Room 40.
8. Windows: Phase III to include five classrooms and the all-purpose room windows.
9. Building elements: fire alarm, clock system, front entrance, bathroom in nurse's room, kitchen exhaust over the dishwasher, water fountains, asbestos removal, library and music room ceilings, ceilings in hallways and all-purpose room, doors under stage, music practice (reconfigure walls), remove glass between rooms and fill in, water treatment and hot water heater.
10. Maintenance building: new
11. Kitchen renovation: Replaced all kitchen equipment (i.e., freezers, refrigerator, counters, etc.).

Mansfield Township School District has been committed to financial excellence. We are constantly looking for ways to maximize the taxpayer's investment in our district by seeking out the best prices for purchases, by joining purchasing cooperatives, and by attending meetings for shared services between school districts and with municipalities. The infusion of CARES, ESSERS, IDEA-ARP, TITLE-ARP, and other grants has allowed us to supplement for student learning loss, student and staff mental health, including but not limited to a Culture and Climate Committee and human resources partnership with Keyser during the 2021-2022 school year and beyond.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
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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 District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Paul W. DeAngelo, School Business Administrator/Board Secretary at Mansfield Township Board of Education, 50 Port Murray Road, Port Murray, NJ 07865.

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.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Statement of Net Position
June 30, 2022

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 57,539	\$ 261,800	\$ 319,339
Due from other funds, net	-	140,539	140,539
Receivables, net	378,243	28,922	407,165
Inventory	-	1,913	1,913
Restricted assets			
Capital projects fund - cash	5,101	-	5,101
Capital reserve account - cash	476,014	-	476,014
Maintenance reserve account - cash	526,240	-	526,240
Student activities - cash	12,468	-	12,468
Unemployment claims - cash	199,248	-	199,248
Capital assets, net			
Land	17,722	-	17,722
Other capital assets, net of depreciation	9,373,144	16,996	9,390,140
Total assets	11,045,719	450,170	11,495,889
Deferred outflows of resources			
Deferred amount on pension activity	387,052	-	387,052
Liabilities			
Accounts payable	15,476	31,427	46,903
Other current liabilities	12,400	-	12,400
Due to other funds, net	139,925	614	140,539
Accrued interest	69,804	-	69,804
Payroll deductions and withholdings payable	8,071	-	8,071
Unearned revenue	2,480	4,407	6,887
Unemployment compensation claims payable	19,362	-	19,362
Long-term liabilities			
Due within one year	371,133	-	371,133
Due beyond one year	6,157,270	-	6,157,270
Total liabilities	6,795,921	36,448	6,832,369
Deferred inflows of resources			
Deferred amount on pension liability	831,169	-	831,169

See accompanying notes to financial statements.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Statement of Net Position (continued)
June 30, 2022

	Governmental Activities	Business-Type Activities	Total
Net position			
Net investment in capital assets	\$ 4,530,866	\$ 16,996	\$ 4,547,862
Restricted for			
Capital projects	5,101	-	5,101
Debt service	1	-	1
Capital reserve	476,014	-	476,014
Maintenance reserve	526,240	-	526,240
Student activities	12,468	-	12,468
Unemployment claims	246,962	-	246,962
Unrestricted	(1,991,971)	396,726	(1,595,245)
Total net position	<u>\$ 3,805,681</u>	<u>\$ 413,722</u>	<u>\$ 4,219,403</u>

See accompanying notes to financial statements.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2022

Functions/Programs	Direct Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue & Changes in Net Position		
			Charges for Services	Operating Grants & Contribution	Capital Grants & Contribution	Governmental Activities	Business-Type Activities	Total
Governmental activities								
Instruction								
Regular	\$ 3,488,934	\$ 3,795,164	\$ 39,000	\$ 264,687	\$ -	\$ (6,980,411)	\$ -	\$ (6,980,411)
Special education	1,502,039	1,444,091	19,249	90,947	-	(2,835,934)	-	(2,835,934)
Other special instruction	279,092	194,937	-	115,002	-	(359,027)	-	(359,027)
Support services								
Tuition	42,341	-	-	-	-	(42,341)	-	(42,341)
Students & instruction related services	1,546,001	1,130,504	17,769	290,208	-	(2,368,528)	-	(2,368,528)
General & business administration services	626,542	347,771	1,564	-	-	(972,749)	-	(972,749)
School administration services	186,697	160,286	-	-	-	(346,983)	-	(346,983)
Plant operations & maintenance	500,585	130,711	-	-	-	(631,296)	-	(631,296)
Pupil transportation	692,923	845	212,463	-	-	(481,305)	-	(481,305)
Transfer to charter schools	14,030	-	-	-	-	(14,030)	-	(14,030)
Interest on long-term debt	149,709	-	-	-	-	(149,709)	-	(149,709)
Total governmental activities	<u>9,028,893</u>	<u>7,204,309</u>	<u>290,045</u>	<u>760,844</u>	<u>-</u>	<u>(15,182,313)</u>	<u>-</u>	<u>(15,182,313)</u>
Business-type activities								
Food service	278,103	-	30,130	408,096	-	-	160,123	160,123
Before and after child care	114,192	-	106,195	98,000	-	-	90,003	90,003
Summer recreation program	2,880	-	-	-	-	-	(2,880)	(2,880)
Total business-type activities	<u>395,175</u>	<u>-</u>	<u>136,325</u>	<u>506,096</u>	<u>-</u>	<u>-</u>	<u>247,246</u>	<u>247,246</u>
Total primary government	<u>\$ 9,424,068</u>	<u>\$ 7,204,309</u>	<u>\$ 426,370</u>	<u>\$ 1,266,940</u>	<u>\$ -</u>	<u>(15,182,313)</u>	<u>247,246</u>	<u>(14,935,067)</u>
			General revenues, special items and transfers					
			Property taxes levied for general purposes			5,979,230	-	5,979,230
			Property taxes levied for debt service			284,880	-	284,880
			Federal and state aid not restricted			8,825,011	-	8,825,011
			Investment earnings			486	3	489
			Miscellaneous income			9,867	-	9,867
			Transfers in (out)			(2,125)	2,125	-
			Total general revenues and special items			<u>15,097,349</u>	<u>2,128</u>	<u>15,099,477</u>
			Change in net position			(84,964)	249,374	164,410
			Net position - beginning			3,890,645	164,348	4,054,993
			Net position - ending			<u>\$ 3,805,681</u>	<u>\$ 413,722</u>	<u>\$ 4,219,403</u>

See accompanying notes to financial statements.

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 type.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Governmental Funds
Balance Sheet
June 30, 2022

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 57,538	\$ -	\$ -	\$ 1	\$ 57,539
Due from other funds	130,802	-	-	-	130,802
Receivables from other governments					
Federal	2,652	133,282	-	-	135,934
State	186,045	-	-	-	186,045
Local	36,234	-	-	-	36,234
Other accounts receivables	20,030	-	-	-	20,030
Restricted cash and equivalents	1,201,502	12,468	5,101	-	1,219,071
Total assets	\$ 1,634,803	\$ 145,750	\$ 5,101	\$ 1	\$ 1,785,655
Liabilities and fund balances					
Liabilities					
Accounts payable	\$ 15,476	\$ -	\$ -	\$ -	\$ 15,476
Due to other funds	139,925	130,802	-	-	270,727
Other current liabilities	12,400	-	-	-	12,400
Payroll deductions and withholdings payable	8,071	-	-	-	8,071
Unearned revenue	-	2,480	-	-	2,480
Unemployment compensation claims payable	19,362	-	-	-	19,362
Total liabilities	195,234	133,282	-	-	328,516

See accompanying notes to financial statements.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Governmental Funds
Balance Sheet (continued)
June 30, 2022

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Liabilities and fund balances (continued)					
Fund balances					
Restricted fund balance					
Capital project					
fund balance	\$ -	\$ -	\$ 5,101	\$ -	\$ 5,101
Capital reserve account	476,014	-	-	-	476,014
Maintenance					
reserve account	526,240	-	-	-	526,240
Student activities	-	12,468	-	-	12,468
Unemployment claims	246,962	-	-	-	246,962
Committed fund balance					
Year-end encumbrances	17,524	-	-	-	17,524
Assigned fund balance					
Designated for subsequent					
year's expenditures	150,564	-	-	-	150,564
Unassigned fund balance	22,265	-	-	1	22,266
Total fund balances	<u>1,439,569</u>	<u>12,468</u>	<u>5,101</u>	<u>1</u>	<u>1,457,139</u>
Total liabilities and fund balances	<u>\$ 1,634,803</u>	<u>\$ 145,750</u>	<u>\$ 5,101</u>	<u>\$ 1</u>	

Amounts reported for governmental activities in the Statement of Net Position (A-1) are different because:

Capital assets used in government activities are not financial resources and therefore are not reported in the funds. The cost of assets is \$16,331,572 and the accumulated depreciation is \$6,940,706.	9,390,866
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.	(444,117)
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.	(6,528,403)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	<u>(69,804)</u>
Total net position of governmental activities	<u>\$ 3,805,681</u>

See accompanying notes to financial statements.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2022

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Revenues					
Local sources					
Local tax levy	\$ 5,979,230	\$ -	\$ -	\$ 284,880	\$ 6,264,110
Tuition	58,249	-	-	-	58,249
Interest on investments	486	-	-	-	486
Miscellaneous	9,867	17,769	-	-	27,636
Total local sources	<u>6,047,832</u>	<u>17,769</u>	<u>-</u>	<u>284,880</u>	<u>6,350,481</u>
State sources	6,729,009	-	-	171,170	6,900,179
Federal sources	19,784	760,844	-	-	780,628
Total revenues	<u>12,796,625</u>	<u>778,613</u>	<u>-</u>	<u>456,050</u>	<u>14,031,288</u>
Expenditures					
Current					
Instructional					
Regular instruction	3,234,431	254,503	-	-	3,488,934
Special education instruction	1,411,092	90,947	-	-	1,502,039
Other special instruction	164,090	115,002	-	-	279,092
Support service and undistributed costs					
Tuition	42,341	-	-	-	42,341
Student and instruction related services	1,239,219	306,782	-	-	1,546,001
General and business administrative services	624,978	-	-	-	624,978
School administrative services	186,697	-	-	-	186,697
Plant operations and maintenance	500,585	-	-	-	500,585
Pupil transportation	480,460	-	-	-	480,460
Unallocated benefits	4,953,234	-	-	-	4,953,234

See accompanying notes to financial statements.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2022

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Expenditures (cont'd)					
Capital outlay	\$ 361,665	\$ 10,184	\$ -	\$ -	\$ 371,849
Transfer to Charter Schools	14,030	-	-	-	14,030
Debt service					
Principal	-	-	-	300,000	300,000
Interest and other charges	2,925	-	-	156,050	158,975
Total expenditures	<u>13,215,747</u>	<u>777,418</u>	<u>-</u>	<u>456,050</u>	<u>14,449,215</u>
Excess (deficit) of revenues over (under) expenditures	(419,122)	1,195	-	-	(417,927)
Other financing sources (uses)					
Transfer	(2,125)	-	-	-	(2,125)
Total other financing sources (uses)	<u>(2,125)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,125)</u>
Net change in fund balance	(421,247)	1,195	-	-	(420,052)
Fund balances, July 1	<u>1,860,816</u>	<u>11,273</u>	<u>5,101</u>	<u>1</u>	<u>1,877,191</u>
Fund balances, June 30	<u>\$ 1,439,569</u>	<u>\$ 12,468</u>	<u>\$ 5,101</u>	<u>\$ 1</u>	<u>\$ 1,457,139</u>

See accompanying notes to financial statements.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2022

Total net changes in fund balances - governmental fund (from B-2) \$ (420,052)

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. The amount by which depreciation exceeds capital outlays in the period:

Capital outlays - governmental fund	\$	371,849	
Depreciation expense		<u>(575,714)</u>	(203,865)

Repayment of debt principal and capital leases are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position and are not reported in the Statement of Activities:

Debt principal payments 300,000

Governmental funds report the effect of premiums when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities:

Amortization of bond premium 5,828

Governmental funds report district pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.

219,452

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. The accrued interest is a reconciling item.

3,438

In the Statement of Activities, compensated absences and early retirement benefits are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation; when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation.

10,235

Change in net position of governmental activities \$ (84,964)

See accompanying notes to financial statements.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Proprietary Funds
Combining Statement of Net Position
For the Fiscal Year Ended June 30, 2022

	Food Service Fund	Before & After School Child Care Fund	Summer Recreation Program Fund	Total
Assets				
Current assets				
Cash and cash equivalents	\$ 149,508	\$ 108,675	\$ 3,617	\$ 261,800
Due from other funds	140,539	-	-	140,539
Receivables from other governments				
State	424	-	-	424
Federal	25,615	-	-	25,615
Other accounts receivable	-	2,883	-	2,883
Inventory	1,913	-	-	1,913
Total current assets	<u>317,999</u>	<u>111,558</u>	<u>3,617</u>	<u>433,174</u>
Noncurrent assets				
Capital assets	65,187	-	-	65,187
Less: accumulated depreciation	48,191	-	-	48,191
Total noncurrent assets	<u>16,996</u>	<u>-</u>	<u>-</u>	<u>16,996</u>
Total assets	<u>334,995</u>	<u>111,558</u>	<u>3,617</u>	<u>450,170</u>
Liabilities				
Current liabilities				
Accounts payable	31,427	-	-	31,427
Due to other funds	-	614	-	614
Unearned revenue- commodities	1,913	-	-	1,913
Unearned revenue- prepaid sales	2,494	-	-	2,494
Total liabilities	<u>35,834</u>	<u>614</u>	<u>-</u>	<u>36,448</u>
Net position				
Invested in capital assets, net of related debt	16,996	-	-	16,996
Unrestricted	282,165	110,944	3,617	396,726
Total net position	<u>\$ 299,161</u>	<u>\$ 110,944</u>	<u>\$ 3,617</u>	<u>\$ 413,722</u>

See accompanying notes to financial statements.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Proprietary Funds
Combining Statement of Revenues, Expenses, and
Changes in Net Position
For the Fiscal Year Ended June 30, 2022

	Food Service Fund	Before & After School Child Care Fund	Summer Recreation Program Fund	Total
Operating revenues				
Charges for services				
Daily sales - non-reimbursable programs	\$ 30,130	\$ -	\$ -	\$ 30,130
Childcare program fees	-	106,195	-	106,195
Total operating revenues	<u>30,130</u>	<u>106,195</u>	<u>-</u>	<u>136,325</u>
Operating expenses				
Cost of sales - reimbursable programs	83,037	-	-	83,037
Cost of sales - non-reimbursable programs	31,198	-	-	31,198
Commodity food costs	17,172	-	-	17,172
Salaries	102,573	111,080	2,880	216,533
Employee benefits	7,446	-	-	7,446
Purchased professional/technical services	1,565	-	-	1,565
Purchased property services	1,307	-	-	1,307
Other purchased services				
Insurance	11,746	-	-	11,746
Management fee	13,390	-	-	13,390
Supplies and materials	5,384	2,603	-	7,987
Depreciation	2,463	-	-	2,463
Miscellaneous	822	509	-	1,331
Total operating expenses	<u>278,103</u>	<u>114,192</u>	<u>2,880</u>	<u>395,175</u>
Operating income (loss)	<u>(247,973)</u>	<u>(7,997)</u>	<u>(2,880)</u>	<u>(258,850)</u>
Non-operating revenues (expenses)				
State sources				
State school lunch program	6,546	-	-	6,546
Federal sources				
National school breakfast program				
Cash assistance	80,630	-	-	80,630
National school lunch program				
Cash assistance	303,748	-	-	303,748
Non-cash assistance (commodities)	17,172	-	-	17,172
Childcare and development block grant				
Phase II hiring and retention bonus grant	-	18,000	-	18,000
NJ ARP stabilization grant	-	80,000	-	80,000

See accompanying notes to financial statements.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Proprietary Funds
Combining Statement of Revenues, Expenses, and
Changes in Net Position (continued)
For the Fiscal Year Ended June 30, 2022

	Food Service Fund	Before & After School Child Care Fund	Summer Recreation Program Fund	Total
Non-operating revenues (expenses) (continued)				
Local sources				
Interest on investments	\$ 3	\$ -	\$ -	\$ 3
Total non-operating revenues (expenses)	<u>408,099</u>	<u>98,000</u>	<u>-</u>	<u>506,099</u>
Other financing sources				
Transfers in	<u>-</u>	<u>-</u>	<u>2,125</u>	<u>2,125</u>
Change in net position	160,126	90,003	(755)	247,249
Net position, beginning	<u>139,035</u>	<u>20,941</u>	<u>4,372</u>	<u>164,348</u>
Net position, ending	<u>\$ 299,161</u>	<u>\$ 110,944</u>	<u>\$ 3,617</u>	<u>\$ 413,722</u>

See accompanying notes to financial statements.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Proprietary Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2022

	Food Service Fund	Before & After School Child Care Fund	Summer Recreation Program Fund	Total
Cash flows from operating activities				
Receipts from (refunds to) customers	\$ 27,009	\$ 103,312	\$ (2,125)	\$ 128,196
Payments to Food Service Management Company	(226,614)	-	-	(226,614)
Payments to employees	(29,944)	(111,080)	(2,880)	(143,904)
Payments to vendors (net)	(5,105)	(3,112)	-	(8,217)
Net cash provided by (used for) operating activities	<u>(234,654)</u>	<u>(10,880)</u>	<u>(5,005)</u>	<u>(250,539)</u>
Cash flows from non-capital financing activities				
State sources	7,256	-	-	7,256
Federal sources	389,940	98,000	-	487,940
General fund interfund activity	(21,490)	-	2,125	(19,365)
Interfund activity - other funds	(614)	614	-	-
Net cash provided by (used for) noncapital financing activities	<u>375,092</u>	<u>98,614</u>	<u>2,125</u>	<u>475,831</u>
Cash flows from investing activities				
Interest on investments	3	-	-	3
Net (decrease) increase in cash and cash equivalents	140,441	87,734	(2,880)	225,295
Cash and cash equivalents, July 1	9,067	20,941	6,497	36,505
Cash and cash equivalents, June 30	<u>\$ 149,508</u>	<u>\$ 108,675</u>	<u>\$ 3,617</u>	<u>\$ 261,800</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating income (loss)	\$ (247,973)	\$ (7,997)	\$ (2,880)	\$ (258,850)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
Depreciation	2,463	-	-	2,463
Federal food donation program	17,172	-	-	17,172
(Increase) decrease in accounts receivable	-	(2,883)	-	(2,883)
(Increase) decrease in inventory	1,284	-	-	1,284
Increase (decrease) in accounts payable	(3,195)	-	-	(3,195)
Increase (decrease) in unearned revenues	(4,405)	-	(2,125)	(6,530)
Net cash provided by (used for) operating activities	<u>\$ (234,654)</u>	<u>\$ (10,880)</u>	<u>\$ (5,005)</u>	<u>\$ (250,539)</u>

See accompanying notes to financial statements.

NOTES TO THE FINANCIAL STATEMENTS

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies

The financial statements of the Mansfield Township School District (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local Governmental Units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the District are described below.

The basic financial statements include:

A Management's Discussion and Analysis (MD&A) providing an analysis of the Districts over-all financial position and results of operations.

Basic financial statements prepared using full-accrual accounting for all of the District's activities.

A. Reporting entity

The District is a Type II District located in the County of Warren, State of New Jersey. As a Type II District, the school district functions independently through a Board of Education. The Board is comprised of nine members elected to three-year-terms. The purpose of the District is to educate students in Grades K-6. The District had an approximate enrollment at June 30, 2022 of 560 students.

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

1. The organization is legally separate (can sue or be sued in their own name).
2. The District holds the corporate powers of the organization.
3. The District appoints a voting majority of the organization's Board.
4. The District is able to impose its will on the organization.
5. The organization has the potential to impose a financial benefit/burden on the District.
6. There is a fiscal dependency by the organization on the District.

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

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to students or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The District has elected to treat all of its governmental funds as major funds and they are reported as separate columns in the fund financial statements.

C. Measurement focus, basis of accounting, and financial statement presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, early retirement, arbitrage rebates, and postemployment healthcare benefits, are recorded only when payment is due.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

Property taxes, tuition and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. As under New Jersey State Statute, a municipality is required to remit to its school district the entire property tax balance, 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 moneys under the established payment schedule and the unpaid amount is considered to be accounts receivable. All other revenue items are considered to be measurable and available only when the District receives cash.

Amounts reported as program revenues include 1) charges to students for tuition, fees, rental, material, supplies, or services, provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes, and unrestricted state aids.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted, as they are needed.

The District reports the following major governmental funds:

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

As required by the New Jersey 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 fixed 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.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

As a result of implementing GASB Statement No. 84, *Fiduciary Activities*, amounts maintained for unemployment claims and payroll withholdings for employee salary deductions are included in the general fund. Amounts maintained for unemployment claims are used to account for the portion of employee deductions for unemployment compensation required to be deposited and accumulated for future unemployment claims under the Benefit Reimbursement Method.

Special Revenue Fund - The District accounts for the proceeds of specific revenue sources 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 in the special revenue fund. As a result of implementing GASB Statement No. 84, *Fiduciary Activities*, amounts maintained for student activities and private purpose scholarships are included in the special revenue fund. The amounts are considered to be restricted and available to use for specific expenditures. Amounts maintained for student activities are derived from athletic events or other activities of pupil organizations and accumulated for payment of student group activities. Amounts maintained for private purpose scholarship accounts are utilized for scholarship awards to qualifying students.

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.

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.

Additionally, the District reports the following fund types:

Proprietary fund types

Proprietary Fund - 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:

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)
Proprietary fund types (continued)

Enterprise Fund - The enterprise fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are 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, the before and after school childcare fund, and the summer recreation fund.

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

Equipment	12 Years
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Fiduciary fund types

The District does not have funds that meet the criteria of a fiduciary fund as defined by GASB Statement No. 84, *Fiduciary Activities*.

D. Budgets/budgetary control

Annual appropriated budgets are prepared in the Spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the County office and, if necessary, are voted upon at the annual school election in November. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line-item accounts within each fund. Line-item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum Chart of Accounts referenced in N.J.A.C. 6:23-16.2(f)1. All budget amendments must be approved by School Board Resolution.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

D. Budgets/budgetary control (continued)

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

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

E. Encumbrances

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as 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 unearned 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 year 2021-2022 are 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 and payables

Short-term interfund receivables and 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.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

I. Inventories and prepaid items

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

Enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. The commodities inventory value at balance sheet date is reported as unearned revenue as title does not pass to the school district until the commodities are used. Prepaid items in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2022.

J. Capital assets

Capital assets, which include land, land improvements, buildings and improvements, vehicles and furniture and equipment, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

All reported capital assets, except for land and construction in progress, of the District are depreciated using the straight-line method over the following estimated lives:

Assets	Years
Buildings	50
Building improvements & portable classroom	20 - 50
Land improvements	20
Furniture	20
Maintenance equipment	15
Musical instruments	10
Athletic equipment	10
Audio visual equipment	10
Office equipment	5 - 10
Computer equipment	5 - 10

K. Compensated absences

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

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

K. Compensated absences (continued)

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

The liability for compensated absences was accrued using the vesting method, whereby the liability is calculated by vesting balances as of the balance sheet date for which a payment is probable. Salary related payments for the employer's share of Social Security and Medicare taxes are included.

For the government-wide statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, in the fund financial statements, all of the compensated absences are considered long-term and therefore are not a fund liability. This represents a reconciling item between the fund and government-wide presentations.

L. Unearned revenue

Unearned revenue in the general fund and special revenue fund represents cash, which has been received but not yet earned. See Note 1 (E) regarding the special revenue fund.

Unearned revenue in the enterprise fund includes United States government commodity inventories at year-end for the food service fund. The aid revenue associated with this commodity inventory is deferred until it is used in the operations of the food service fund. Prepaid lunch debit card revenue balances at year-end are also included in unearned revenue for the food service fund. Unearned revenue in the remaining enterprise funds represents cash, which has been received but not yet earned.

M. Long-term obligations

In the government-wide financial statements and in internal service fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuance are reported as other financing uses.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

N. Net position

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

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

The school district applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

O. Fund balances - governmental funds

In the fund financial statements, governmental funds report the following classifications of fund balance:

- Non-spendable - includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.
- Restricted - includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.
- Committed - includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision-making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.
- Assigned - includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

O. Fund balances - governmental funds (continued)

- Unassigned - includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the general fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

When expenditure is incurred for purposes which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

P. Use of estimates

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

Q. Allocation of indirect expenses

Certain expenses, which have not been charged to a specific function in the District's fund financial statements, have been allocated to the functions for the government-wide statements. Employee benefits, on-behalf TPAF Pension Contributions, reimbursed TPAF Social Security Contributions and compensated absences accruals have been allocated based on salaries by function. Depreciation expense which was not specifically identified by function has been allocated based on the current year expenses by function.

R. Deferred outflows/inflows of resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has one item that qualifies for reporting in this category, deferred amount on pension activity. In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category, deferred amount on pension activity.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 2 - Tax assessments and property taxes

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income where appropriate. Current assessments are the results of new assessments on a like basis with established comparable properties for newly assessed or purchased properties. This method assures equitable treatment to like property owners.

Upon the filing of certified adopted budgets by the municipality, the municipality's local school districts, and the County, the tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provision for the assessment of property, levying of taxes and the collection thereof are set forth in N.J.S.A. 54:4 et. seq. Special taxing districts are permitted in New Jersey for various special services rendered to the properties located within the special districts.

Tax bills are mailed annually in June. The taxes are due August 1 and November 1 respectively, and are adjusted to reflect the current fiscal year's total tax liability. The preliminary taxes due February 1 and May 1 of the succeeding fiscal year are based upon one-half of the current year's total tax.

School taxes are guaranteed, as to amount of collection, by the municipality (the collection agency) and are transmitted to the School District in accordance with the Schedule of Tax Installments as certified by the School District's Board of Education on an annual basis.

Note 3 - Deposits and cash equivalents and investments

Cash and cash equivalents include petty cash, change funds, and cash in banks. As of June 30, 2022, the District had no investments.

New Jersey Governmental Units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of investments which may be purchased by New Jersey Governmental Units. In addition, other state statutes permit investments in obligations issued by local authorities and other state agencies. The State of New Jersey does not place any limit on the amount that the District may invest with any one issuer.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 3 - Deposits, cash equivalents, and investments (continued)

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

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits might not be recovered. The District does not have a policy for custodial credit risk. New Jersey statutes require that cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Unit Deposit Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. Under the act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds, employee salary withholdings, or funds that may pass to the District relative to the happening of a future condition.

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of Governmental Units. The statute requires that no Governmental Unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include savings and loan institutions, banks (both state and national banks) and saving banks the deposits of which are federally insured.

As of June 30, 2022, the District's bank balances were exposed to custodial credit risk as follows:

Insured by the FDIC	\$ 250,000
Insured by GUDPA	1,510,558
Total bank balances	<u>\$ 1,760,558</u>

Deposits at June 30, 2022 appear in the financial statements as summarized below:

Cash		<u>\$ 1,538,410</u>
	<u>Ref.</u>	
Unrestricted cash		
Governmental funds, Balance Sheet	B-1	\$ 57,539
Enterprise funds, Statement of Net Position	B-4	261,800
Restricted cash		
Governmental funds, Balance Sheet	B-1	1,219,071
Total cash		<u>\$ 1,538,410</u>

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 4 - Capital assets

Capital asset activity for the fiscal year ended June 30, 2022 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 17,722	\$ -	\$ -	\$ 17,722
Construction in progress	106,184	-	106,184	-
Total	<u>123,906</u>	<u>-</u>	<u>106,184</u>	<u>17,722</u>
Capital assets, being depreciated				
Land improvements	489,878	66,137	-	556,015
Building and improvements	14,338,870	351,098	-	14,689,968
Furniture and equipment	1,007,069	60,798	-	1,067,867
Total	<u>15,835,817</u>	<u>478,033</u>	<u>-</u>	<u>16,313,850</u>
Accumulated depreciation				
Land improvements	346,747	10,617	-	357,364
Building and improvements	5,393,708	486,887	-	5,880,595
Furniture and equipment	624,537	78,210	-	702,747
Total	<u>6,364,992</u>	<u>575,714</u>	<u>-</u>	<u>6,940,706</u>
Total capital assets, being depreciated, net	<u>9,470,825</u>	<u>(97,681)</u>	<u>-</u>	<u>9,373,144</u>
Transfers	-	(106,184)	(106,184)	-
Governmental activities capital assets, net	<u>\$ 9,594,731</u>	<u>\$ (203,865)</u>	<u>\$ -</u>	<u>\$ 9,390,866</u>
	Beginning Balance	Increases	Decreases	Ending Balance
Business type activities				
Furniture and equipment	\$ 65,187	\$ -	\$ -	\$ 65,187
Less: accumulated depreciation	45,728	2,463	-	48,191
Business type activities capital assets, net	<u>\$ 19,459</u>	<u>\$ (2,463)</u>	<u>\$ -</u>	<u>\$ 16,996</u>

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 4 - Capital assets (continued)

Depreciation expense was charged to governmental functions in the current year as follows:

Instruction		
Regular	\$	280,155
Special education		103,947
Other special instruction		17,768
Support services		
Student and instruction		106,500
General and business administration		47,776
School administration		13,116
Plant maintenance		6,452
Total depreciation expense, governmental activities	<u>\$</u>	<u>575,714</u>

Note 5 - Long-term debt

Long-term liability activity for the fiscal year ended June 30, 2022 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
General obligation bonds payable	\$ 5,160,000	\$ -	\$ 300,000	\$ 4,860,000	\$ 310,000
Compensated absences payable	330,409	-	10,235	320,174	55,305
PERS net pension liability	1,668,707	-	390,414	1,278,293	-
Unamortized bond premium	75,764	-	5,828	69,936	5,828
Total governmental activities long-term liabilities	<u>\$ 7,234,880</u>	<u>\$ -</u>	<u>\$ 706,477</u>	<u>\$ 6,528,403</u>	<u>\$ 371,133</u>

Payments on the general obligation bonds are made in the debt service fund from property taxes and state aid. The other long-term debts are paid in the current expenditures budget of the District's general fund.

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2022, including interest payments are listed as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 310,000	\$ 147,650	\$ 457,650
2024	325,000	138,125	463,125
2025	335,000	128,225	463,225
2026	350,000	117,950	467,950
2027	365,000	107,225	472,225
2028 - 2032	1,975,000	420,600	2,395,600
2033 - 2035	1,200,000	110,000	1,310,000
Total	<u>\$ 4,860,000</u>	<u>\$ 1,169,775</u>	<u>\$ 6,029,775</u>

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 5 - Long-term debt (continued)

General Obligation Bonds - General obligation school building bonds payable at June 30, 2022, with their outstanding balances are comprised of the following individual issues:

\$6,685,000 - 2014 general obligation bonds, interest at 2.25% to 3.50%,
 due in annual installments beginning July 15, 2015 to July 15, 2034. \$ 4,860,000

The general obligation bonded debt of the District is limited by state law to 2.50% of the average equalized assessed values of the total taxable property in the District for the past three years. The legal debt limit at June 30, 2022 is \$19,133,052. General obligation debt and debt authorized at June 30, 2022 is \$4,860,000, resulting in a legal debt margin of \$14,273,052.

Note 6 - Pension plans

A. Public employees' retirement systems (PERS)

Description of systems

Substantially all of the Board's employees participate in one of the following defined benefit public employee retirement systems which have been established by state statute: The Teachers' Pension and Annuity Fund (TPAF), Public Employees' Retirement System (PERS) and the Defined Contribution Retirement Program (DCRP). The PERS and TPAF systems are sponsored and administered by the State of New Jersey. The DCRP system is administered by Prudential Financial for the Division of Pensions and Benefits. The TPAF retirement system is considered a multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the Board and the system's other related non-contributing employers.

Plan description

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

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after 10 years of service.

The following represents the membership tiers for PERS:

Tier	Member Eligibility
1	Enrolled prior to July 1, 2007
2	Enrolled on or after July 1, 2007 and prior to November 2, 2008
3	Enrolled on or after November 2, 2008 and prior to May 22, 2010
4	Enrolled on or after May 22, 2010 and prior to June 28, 2011
5	Enrolled on or after June 28, 2011

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plan (continued)

A. Public employees' retirement systems (PERS) (continued)

Plan description (continued)

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, Tiers 3 and 4 before age 62 with 25 or more years of service credit and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective Tier. Tier 1 members 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.

Allocation methodology and reconciliation to financial statements

Although the Division administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense excluding that attributable to employer-paid member contributions are determined separately for each individual employer of the state and local groups of the Plan.

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer and nonemployer allocations are applied to amounts presented in the schedule of pension amounts by employer and nonemployer. The allocation percentages for each group as of June 30, 2021 measurement date are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal year ended June 30, 2021 measurement date.

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective pension expense. The employer and nonemployer allocation percentages presented in the schedule of employer and nonemployer allocations and applied to amounts presented in the schedule of pension amounts by employer and nonemployer are based on the ratio of the contributions of an individual employer to the total contributions to PERS during the measurement period July 1, 2020 through June 30, 2021. Employer and nonemployer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of pension amounts by employer and nonemployer may result in immaterial differences. Contributions from employers are recognized when due, based on statutory requirements.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plan (continued)

A. Public employees' retirement systems (PERS) (continued)

Contributions

The contribution policy for PERS is set by N.J.S.A 43:15A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for non-contributory group insurance benefits is based on actual claims paid. For State fiscal year 2021, the State's pension contribution was less than the actuarial determined amount.

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

The District's contractually required contribution rate for the fiscal year ended June 30, 2022 was 14.06% of the District's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

The contribution rate was 7.50% of base salary effective July 1, 2018.

Collective net pension liability and actuarial information

The District's proportionate share of the net pension liability for PERS as of the measurement date of June 30, 2021:

Net pension liability	\$ 1,278,293
Plan fiduciary net position	0.0107904747%
Plan fiduciary net position as a percentage of the total pension liability	70.33%

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

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plan (continued)

A. Public employees' retirement systems (PERS) (continued)

Collective net pension liability and actuarial information (continued)

Inflation rate

Price	2.75%
Wage	3.25%

Salary increases (based on years of service)

Through 2026	2.00% - 6.00%
Thereafter	3.00% - 7.00%

Investment rate of return	7.00%
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Preretirement 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 generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

Long-term expected rate of return

In accordance with state statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2021 measurement date) 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 real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2021 measurement date are summarized in the following table:

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plan (continued)
A. Public employees' retirement systems (PERS) (continued)
Long-term expected rate of return (continued)

<u>Asset Class</u>	<u>Target Allocations</u>	<u>Long-Term Expected Rate of Return</u>
U.S. equity	27.00%	8.09%
Non-U.S. developed markets equity	13.50%	8.71%
Emerging markets equity	5.50%	10.96%
Private equity	13.00%	11.30%
Real assets	3.00%	7.40%
Real estate	8.00%	9.15%
High yield	2.00%	3.75%
Private credit	8.00%	7.60%
Investment grade credit	8.00%	1.68%
Cash equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk mitigation strategies	3.00%	3.35%

Discount rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 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 and the municipal bond rate was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of the collective net pension liability to changes in the discount rate

The following presents the collective net pension liability of the District as of June 30, 2021 measurement date, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1% point lower or 1% point higher than the current rate:

District's proportionate share of the net pension liability

At current discount rate (7.00%)	\$ 1,278,293
At a 1% lower rate (6.00%)	1,759,333
At a 1% higher rate (8.00%)	895,254

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plan (continued)

A. Public employees' retirement systems (PERS) (continued)

Collective deferred outflows of resources and deferred inflows of resources

At the June 30, 2021 measurement, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 20,160	\$ 9,151
Changes of assumptions	6,657	455,081
Net difference between projected and actual earnings on pension plan investments	-	336,736
Changes in proportion and differences between District contributions and proportionate share of contributions	233,866	30,201
District contributions subsequent to the measurement date	<u>126,369</u>	<u>-</u>
Total	<u>\$ 387,052</u>	<u>\$ 831,169</u>

The amount reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e., for the school year ending June 30, 2022, the Plan measurement date is June 30, 2021) of \$126,369 will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

The following presents a summary of changes in the collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) for the year ended June 30, 2021 measurement date:

	<u>Beginning Balance</u>	<u>Net Change in Activity</u>	<u>Ending Balance</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 30,384	\$ (10,224)	\$ 20,160
Changes of assumptions	54,135	(47,478)	6,657
Differences between expected and actual experience	57,038	(57,038)	-
Deferred inflows of resources			
Differences between expected and actual experience	(5,901)	(3,250)	(9,151)
Changes of assumptions	(698,703)	243,622	(455,081)
Differences between projected actual investment earnings on pension plan investments	-	(336,736)	(336,736)
Net of deferred outflows	<u>\$ (563,047)</u>	<u>\$ (211,104)</u>	<u>\$ (774,151)</u>

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plan (continued)

A. Public employees' retirement systems (PERS) (continued)

Collective deferred outflows of resources and deferred inflows of resources (continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding employer specific amounts, deferrals from District contributions subsequent to the measurement date, and deferrals from change on proportion) will be recognized in pension expense as follows:

Fiscal Year Ending June 30,

2022	\$ (301,622)
2023	(215,357)
2024	(146,837)
2025	(110,378)
2026	43
Total	\$ (774,151)

Pension expense (benefit)

For the fiscal year ended June 30, 2022, the District recognized net pension expense (benefit) of (\$93,084), which represents the District's proportionate share of allocable plan pension expense (benefit) of (\$174,563), plus the net amortization of deferred amounts from changes in proportion of \$95,906 less other adjustments to the net pension liability of (\$14,427). The components of allocable pension expense, which exclude amounts attributable to employer paid member contributions and pension expense related to specific liabilities of individual employers, for the District for the fiscal year ending June 30, 2021 measurement date are as follows:

Service cost	\$ 75,276
Interest on total pension liability	295,820
Benefit changes	-
Member contributions	(61,245)
Administrative expense	1,071
Expected investment return net of investment expense	(161,387)
Pension expense related to specific liabilities of individual employers	(754)
Recognition (amortization) of deferred inflows/outflows of resources	
Differences between projected and actual experience	8,289
Changes of assumptions	(224,547)
Difference between projected and actual investment earnings on pension plan investments	(107,086)
Pension expense (benefit)	\$ (174,563)

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plan (continued)

B. Teacher’s pension and annuity fund (TPAF)

Plan description

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

The vesting and benefit provisions are set by N.J.S.A. 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:

Tier	Member Eligibility
1	Enrolled prior to July 1, 2007
2	Enrolled on or after July 1, 2007 and prior to November 2, 2008
3	Enrolled on or after November 2, 2008 and prior to May 22, 2010
4	Enrolled on or after May 22, 2010 and prior to June 28, 2011
5	Enrolled on or after June 28, 2011

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

Contributions

The 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 the State fiscal year 2021, the State’s pension contribution was less than the actuarial determined amount.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plan (continued)

B. Teacher's pension and annuity fund (TPAF) (continued)

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 non-employer 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 non-employer 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 non-employer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

During the State fiscal year ending June 30, 2021, the State of New Jersey contributed \$1,313,427 to the TPAF for normal pension benefits on behalf of the District.

The contribution rate was 7.50% of base salary effective July 1, 2018.

Collective net pension liability and actuarial information

The District's proportionate share of the net pension liability for TPAF for fiscal year ended June 30, 2021 measurement date is as follows:

District proportionate share of net pension liability	\$ 33,416,296
Less: State proportionate share of net pension liability	<u>11,869,473</u>
Net pension liability	<u>\$ 21,546,823</u>
 Proportionate share	 0.0448190088%
 Plan fiduciary net position as a percentage of the total pension liability	 35.52%

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plan (continued)
B. Teacher's pension and annuity fund (TPAF) (continued)

Actuarial assumptions

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

Inflation rate	
Price	2.75%
Wage	3.25%
Salary increases (based on years of service)	
Through 2026	1.55 - 4.45%
Thereafter	2.75 - 5.65%
Investment rate of return	7.00%

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

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plan (continued)

B. Teacher's pension and annuity fund (TPAF) (continued)

Long-term expected rate of return

In accordance with state statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2021 measurement date) 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 real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2021 measurement date are summarized in the following table:

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

Discount rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments after that date in determining the total pension liability.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plan (continued)

B. Teacher's pension and annuity fund (TPAF) (continued)

Sensitivity of the collective net pension liability to changes in the discount rate

The following presents the collective net pension liability of the District as of June 30, 2021 measurement date, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1% point lower or 1% point higher than the current rate:

District's proportionate share of the net pension liability

At current discount rate (7.00%)	\$ 21,546,823
At a 1% lower rate (6.00%)	25,493,491
At a 1% higher rate (8.00%)	18,231,870

Pension expense

The components of the contractually required contribution, which exclude amounts related to specific liabilities of individual employers, for the District for the year ended June 30, 2021 measurement date are as follows:

Service cost	\$ 787,106
Interest on total pension liability	2,100,625
Benefit changes	-
Member contributions	(395,301)
Administrative expense	4,045
Expected investment return net of investment expense	(652,631)
Pension expense related to specific liabilities of individual employers	(180)
Recognition (amortization) of deferred inflows/outflows of resources	
Differences between projected and actual experience	90,302
Changes of assumptions	(1,009,551)
Difference between projected and actual investment earnings on pension plan investments	(417,409)
Pension expense	<u>\$ 507,006</u>

C. Defined contribution retirement program

The Defined Contribution Retirement Program (DCRP) was established under the provisions Ch. 92, PL 2007 and expanded under the provisions of Ch. 89, PL 2008 and Ch. 1, PL 2010 to provide eligible members with a tax sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Employees eligible to enroll in the program include the following: First, employees enrolled in the Public Employees Retirement System (PERS) or Teachers Pension and Annuity Fund (TPAF) on or after July 1, 2007 who earn salary in excess of maximum compensation limits. Also, employees otherwise eligible to enroll in the TPAF and PERS who do not earn the minimum salary (\$8,400 in 2022) but who earn salary of at least \$5,000 annually are eligible to participate. The Program Administrator, Prudential Financial, makes information regarding the program available on its New Jersey Defined Contribution Program Web Site: www.prudential.com/njdcrp.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plan (continued)

C. Defined contribution retirement program (continued)

Contribution rates for DCRP provide for employee contributions of 5.50% of annual contractual compensation as defined. The District's contribution to the DCRP for fiscal year ending 2022 was \$1,357.

D. Other pension plan information

During the year ended June 30, 2022, the State of New Jersey contributed \$441,489 to the TPAF for postretirement medical benefits, \$26,289 for non-contributory insurance premiums, \$712 for long-term disability insurance, and \$1,863,318 for normal costs and accrued liability costs on behalf of the Board. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$405,812 during the fiscal year ended June 30, 2022 for the employer's share of Social Security contributions for TPAF members calculated on their base salaries. These amounts have been included in the financial statements and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance with GASB Statement No. 68.

Note 7 - Postretirement benefits

The State Health Benefit State Retired Employees Plan (State Retired OPEB Plan) is a single-employer defined benefit OPEB plan with a special funding situation. The State Retired OPEB Plan 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. The State Retired OPEB Plan covers the State, State colleges and universities, the Palisades Interstate Park Commission, and the New Jersey Building Authority (referred to collectively as the employers) for which the State is legally obligated to pay for benefits. The State Retired OPEB Plan is treated as a cost-sharing multiple employer plan with a special funding situation for allocating the total OPEB liability and related OPEB amounts since each employer mentioned above is required to issue stand-alone financial statements. The State Retired OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and the covered dependents of the employees. The State also offers dental care to retirees, however, since dental benefits are completely paid for by the retirees, there is no OPEB liability for these benefits.

In accordance with N.J.S.A. 52:14-17.32, the State is required to pay the premiums or periodic charges for health benefits of State employees who retire with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Judicial Retirement System (JRS), the State Police Retirement System (SPRS), the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen's Retirement System (PFRS), and the Alternate Benefit Program (ABP). In addition, N.J.S.A. 52:14-17.26 provides that for purposes of the State Retired OPEB Plan, an employee of Rutgers, the State University of New Jersey, and New Jersey Institute of Technology shall be deemed to be an employee of the State. Further, P.L.1966, c.302, addresses the other State colleges and universities, whereas while these institutions were provided autonomy from the State, their employees retained any and all rights to health benefits within the State Retired OPEB Plan and are therefore classified as State employees.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Postretirement benefits (continued)

The State Health Benefit Local Education Retired Employees Plan (Local Education Retired OPEB Plan) is a multiple-employer defined benefit OPEB plan with a special funding situation. The Local Education Retired OPEB Plan 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. The Local Education Retired OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and the covered dependents of local education employees. The State also offers dental care to retirees, however, since dental benefits are completely paid for by the retirees, there is no OPEB liability for these benefits.

The employer contributions for the participating local education employers are legally required to be funded by the State in accordance with N.J.S.A. 52:14-17.32f. According to this law, 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: TPAF, PERS, PFRS, or ABP.

Pursuant to P.L.2011, c.78, future retirees eligible for postemployment 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 State is legally required to pay for the OPEB benefit coverage for the participating local education employers. Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a non-employer contributing entity. The State, as a non-employer contributing entity, reported a Fiscal Year 2021 total OPEB liability of \$60,007,650,970 for this special funding situation.

Additional information on Pensions and OPEB can be accessed at <https://www.state.nj.us/treasury/taxation/payments-notices.shtml>.

Total OPEB liability

The State, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The District's proportionate share percentage determined under Paragraphs 193 and 203 through 205 of GASB Statement No. 75 is zero percent. Accordingly, the District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the District.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Postretirement benefits (continued)

Total OPEB liability (continued)

Under a special funding situation, the State, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. Accordingly, the District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Therefore, the following OPEB liability note information is reported at the State's level and is not accrued by the District.

For purposes of reporting required GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the District's proportionate share of allocable OPEB liability and employer OPEB expense and related revenue as of June 30, 2021 measurement date is as follows:

State's proportionate share of the OPEB liability	\$ 60,007,650,970
District's proportionate share of the State's OPEB liability	27,255,562
Employer OPEB expense and related revenue	1,398,042
Allocable proportionate percentage	0.0454201449%

Changes in the total OPEB liability

	Total OPEB Liability
Total OPEB liability at June 30, 2020	\$ 30,416,676
Service cost	1,354,624
Interest cost	707,038
Change of benefit terms	(29,010)
Differences between expected and actual experiences	(4,681,783)
Changes of assumptions	26,890
Member contributions	18,075
Gross benefit payments	(556,948)
Total OPEB liability at June 30, 2021	<u>\$ 27,255,562</u>

There were no changes of the benefit terms from June 30, 2020 to June 30, 2021.

Changes of assumptions and other inputs reflect a change in the discount rate from 2.21% as of the June 30, 2020 plan measurement date to 2.16% as of the June 30, 2021 plan measurement date.

The total non-employer OPEB liability as of June 30, 2021 was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Postretirement benefits (continued)
Changes in the total OPEB liability (continued)

Inflation rate 2.50%

	TPAF	PERS
	(based on years of service)	(based on years of service)
Salary increases		
Through 2026	1.55% - 4.45%	2.00% - 6.00%
Thereafter	2.75% - 5.65%	3.00% - 7.00%

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

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

Health care trend assumptions

For Pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.50% long-term trend rate after seven years. For post-65 medical benefits, the actual fully insured Medicare Advantage trend rates for fiscal year 2022 through 2023 are reflected. For PPO the trend is initially 5.74% in fiscal year 2024, increasing to 12.93% in fiscal year 2025 and decreases to 4.50% after 11 years. For HMO the trend is initially 6.01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025 and decreases to 4.5% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount rate

The discount rate for June 30, 2021 was 2.16%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Postretirement benefits (continued)

Sensitivity of the total OPEB liability to changes in the discount rates

The following presents the total non-employer OPEB liability as of June 30, 2021 measurement date, using the District's allocable proportionate percentage, calculated using the discount rate as disclosed above as well as what the total non-employer OPEB liability would be if it was calculated using a discount rate that is 1% point lower or 1% point higher than the current rate:

Total OPEB Liability (school retirees)

At current discount rate (2.16%)	\$ 27,255,562
At a 1% lower rate (1.16%)	32,647,885
At a 1% higher rate (3.16%)	23,009,432

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates

The following presents the total non-employer OPEB liability, as well as what the total non-employer OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

Total OPEB Liability (school retirees)

Healthcare cost trend rate	\$ 27,255,562
At a 1% lower rate (1% decrease)	22,063,466
At a 1% higher rate (1% increase)	34,228,163

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB

For the fiscal year ended June 30, 2022, the District recognized OPEB expense of \$1,398,042 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a Trust that meets the criteria in paragraph 4 of GASB Statement No. 75 and in which there is a special funding situation.

In accordance with GASB Statement No. 75, the District's proportionate share of school retirees OPEB is zero, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources.

Note 8 - Deferred compensation

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

Siracusa Benefits	Security Benefits
AXA Equitable	Orion
Lincoln Investment Planning	

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 9 - Interfund receivable and payments

The composition on interfund balances as of June 30, 2022 is as follows:

Fund	Receivable Fund	Payable Fund
General fund	\$ 130,802	\$ 139,925
Special revenue fund	-	130,802
Before and aftercare fund	-	614
Food service enterprise fund	140,539	-
Total	\$ 271,341	\$ 271,341

The general fund had an interfund payable to the food service fund for \$139,925 representing subsidy aid that was received in the general fund but not disbursed to the food service fund. The before and aftercare fund has an interfund payable to the food service fund for \$614 representing subsidies received and posted to the before and aftercare fund. The special revenue fund had an interfund payable to the general fund of \$130,802 due to cash flow issues from delayed receipts.

Note 10 - Inventory

Inventory in the food service fund as of June 30, 2022 consisted of the following:

Food	\$ 1,913
Total	\$ 1,913

Note 11 - Contingent liabilities

Amounts received, or are receivables, from grantor agencies could be subject to audit and adjusted by grantor agencies. Any disallowed claims, including amounts already collected, may result in a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the Grantor cannot be determined at this time, although the District expects such amount, if any, to be immaterial.

Note 12 - 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, and student accident and surety bonds. There was no significant reduction in insurance coverage from coverage of the prior year. The District did not have any insurance settlements which exceeded insurance coverage for the past three years. A complete Schedule of Insurance Coverage can be found in the Statistical Section of the Annual Comprehensive Financial Report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 12 - Risk management (continued)

New Jersey Unemployment Compensation Insurance - The District has elected to fund its NJ Unemployment Compensation Insurance under the Benefit Reimbursement Method. Under this plan, the District is required to reimburse the NJ unemployment trust fund for benefits paid to its former employees and charged to its account with the state. The District is billed quarterly for amounts due to the state. The following is a summary of District contributions, and interest earnings, employee contributions, reimbursements to the state for benefits paid and the ending balance available for claims of the District's unemployment compensation insurance fund:

Fiscal year	Board Contrib.	Interest Earnings	Employee Contrib.	Amount Reimbursed	Ending Balance Available for Claims
2021 - 2022	\$ -	\$ 50	\$ 8,723	\$ -	\$ 266,324
2020 - 2021	-	192	10,639	-	257,551
2019 - 2020	-	2,102	10,030	-	246,720

Note 13 - Reserve accounts

A capital reserve account was established by the District 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) and updated annually in the Quality Single Accountability Continuum. Upon submission of the LRFP to the Department of Education, 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 NJAC 6A:26-9.1(d)1, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

Districts are allowed as per N.J.S.A. 18A:7F-41(a) & 41(b) to deposit to the reserves by Board Resolution during the month of June for any unanticipated revenue and/or unexpended line-item appropriation amounts. The District did not make a deposit to their capital reserve account, maintenance reserve account and emergency reserve account by Board Resolution. The following schedule is a summarization of the reserve accounts for the current year:

Reserve Type	Beginning Balance	District Contrib.	Interest Earnings	Return Unused Withdrawal	Withdrawal	Ending Balance
Capital	\$ 519,172	\$ -	\$ -	\$ 459,767	\$ 502,925	\$ 476,014
Maintenance	526,240	-	-	-	-	526,240
Total	<u>\$ 1,045,412</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 459,767</u>	<u>\$ 502,925</u>	<u>\$ 1,002,254</u>

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 14 - Fund balance

As described in Note 1 (O), fund balance may be restricted, committed or assigned. An analysis of the general fund balance on June 30, 2022 is as follows:

Restricted	
Capital reserve account - Represents funds restricted to capital projects in the Districts long range facilities plan.	\$ 476,014
Maintenance reserve account - Represents funds accumulated for the required maintenance of a facility in accordance with the EFCFA (N.J.S.A.18A:76-9).	526,240
Unemployment - Represents funds accumulated for future unemployment claims.	246,962
Committed	
Year-end encumbrance - Represents fund balance committed for purchase orders that have been issued but goods or services were not received as of June 30.	17,524
Assigned	
Designated for subsequent year's expenditures - Represents amount appropriated in the succeeding year's budget to reduce tax requirements.	150,564
Unassigned	
Undesignated - Represents fund balance which has not been restricted or designated.	401,518
Total fund balance	1,818,822
Last state aid payments not recognized on GAAP basis	(379,253)
Total fund balance - GAAP basis (Exhibit B-1)	\$ 1,439,569

Note 15 - Calculation of excess surplus

In accordance with N.J.S.A. 18A:7F-7, as amended by PL 2004, Ch. 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 fund balance at June 30, 2022 is \$0.

Note 16 - Recent accounting pronouncements not yet effective

The following is of recent accounting pronouncements which are not yet effective as of the year-end date of this report.

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. This statement is effective for reporting periods beginning after December 15, 2023. The District is evaluating the effect of the pronouncement on financial reporting.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

- Note 16 - Recent accounting pronouncements not yet effective (continued)
In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement is effective for reporting periods beginning after June 15, 2022. The District is evaluating the effect of the pronouncement on financial reporting.
- Note 17 - Deficit balance in unrestricted net position
The District is reporting a deficit balance in unrestricted net position for governmental activities as of June 30, 2022 of (\$1,991,971) on Schedule A-1 Statement of Net Position. The deficit balance is not a negative reflection on the District's financial condition but is the result of reporting required by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which allocates the proportionate share of the state's net pension liability for PERS to each contributing entity throughout the state.
- Note 18 - Risks and uncertainties
On January 30, 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (The COVID-19 outbreak) and the risks to the international community as a virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.
- The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the District's financial condition, liquidity, and future results of operations.
- Note 19 - Subsequent events
The District has evaluated subsequent events through March 1, 2023, which is the date the financial statements were available to be issued and no additional items were noted for disclosure.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

MANSFIELD TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2022

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Revenues					
Local sources					
Local tax levy	\$ 5,979,230	\$ -	\$ 5,979,230	\$ 5,979,230	\$ -
Tuition from individuals	25,080	-	25,080	39,000	13,920
Tuition from other LEAs within the state	38,500	-	38,500	19,249	(19,251)
Unrestricted miscellaneous revenues	28,620	-	28,620	10,303	(18,317)
Interest earned on maintenance reserve	100	-	100	-	(100)
Interest earned on capital reserve funds	100	-	100	-	(100)
Other restricted miscellaneous revenues	-	-	-	50	50
Total	<u>6,071,630</u>	<u>-</u>	<u>6,071,630</u>	<u>6,047,832</u>	<u>(23,798)</u>
State sources					
Categorical transportation aid	273,159	-	273,159	273,159	-
Extraordinary aid	-	-	-	22,686	22,686
Categorical special education aid	429,127	-	429,127	429,127	-
Equalization aid	3,008,166	-	3,008,166	3,008,166	-
Categorical security aid	85,007	-	85,007	85,007	-
Other state aid	201,755	-	201,755	143,034	(58,721)
State reimbursements from Securing Our Children's					
Future Bond Act	-	-	-	31,416	31,416
TPAF Pension (on-behalf)	-	-	-	1,863,318	1,863,318
TPAF Non-contributory insurance	-	-	-	26,289	26,289
TPAF Social Security (reimbursed)	-	-	-	405,812	405,812
TPAF Postretirement benefits	-	-	-	441,489	441,489
TPAF Long-term disability insurance	-	-	-	712	712
Total	<u>3,997,214</u>	<u>-</u>	<u>3,997,214</u>	<u>6,730,215</u>	<u>2,733,001</u>
Federal sources					
Medicaid reimbursement	18,245	-	18,245	19,784	1,539
Total	<u>18,245</u>	<u>-</u>	<u>18,245</u>	<u>19,784</u>	<u>1,539</u>
Total revenues	<u>\$ 10,087,089</u>	<u>\$ -</u>	<u>\$ 10,087,089</u>	<u>\$ 12,797,831</u>	<u>\$ 2,710,742</u>

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule (continued)
For the Fiscal Year Ended June 30, 2022

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Expenditures					
Current					
Instruction - regular program					
Salaries of teachers					
Kindergarten	\$ 424,688	\$ 20,958	\$ 445,646	\$ 445,646	\$ -
Grades 1-5	2,160,457	102,171	2,262,628	2,262,628	-
Grades 6-8	449,979	3,160	453,139	453,139	-
Home instruction					
Purchased professional - educational services	1,290	(1,290)	-	-	-
Regular programs - undistributed instruction					
Other salaries for instruction	-	17,092	17,092	17,092	-
Other purchased services	32,525	(18,660)	13,865	13,865	-
General supplies	67,424	802	68,226	31,038	37,188
Textbooks	10,000	1,153	11,153	11,023	130
Total	3,146,363	125,386	3,271,749	3,234,431	37,318
Special education					
Learning and/or language disabilities					
Salaries of teachers	62,075	4,164	66,239	66,239	-
Other salaries for instruction	64,835	1,537	66,372	66,372	-
Total	126,910	5,701	132,611	132,611	-
Multiple disabilities					
Salaries of teachers	66,044	3,738	69,782	69,782	-
Other salaries for instruction	64,992	8,535	73,527	73,527	-
Total	131,036	12,273	143,309	143,309	-
Resource room/resource center					
Salaries of teachers	817,618	(28,248)	789,370	789,370	-
Other salaries for instruction	62,669	6,341	69,010	69,010	-
General supplies	-	80	80	80	-
Total	880,287	(21,827)	858,460	858,460	-
Autism					
Salaries of teachers	-	2,100	2,100	2,100	-
Total	-	2,100	2,100	2,100	-
Preschool disabilities - part-time					
Other salaries for instruction	25,000	(16,318)	8,682	8,682	-
Total	25,000	(16,318)	8,682	8,682	-
Preschool disabilities - full-time					
Salaries of teachers	183,464	9,135	192,599	192,599	-
Other salaries for instruction	71,491	6,364	77,855	73,331	4,524
Total	254,955	15,499	270,454	265,930	4,524
Total special education	1,418,188	(2,572)	1,415,616	1,411,092	4,524

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule (continued)
For the Fiscal Year Ended June 30, 2022

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Expenditures (cont'd)					
Bilingual education - instruction					
Salaries of teachers	\$ 161,627	\$ 2,463	\$ 164,090	\$ 164,090	\$ -
Purchased professional - education services	35,000	(35,000)	-	-	-
Total	196,627	(32,537)	164,090	164,090	-
Total instruction regular	<u>\$ 4,761,178</u>	<u>\$ 90,277</u>	<u>\$ 4,851,455</u>	<u>\$ 4,809,613</u>	<u>\$ 41,842</u>
Undistributed expenditures					
Undistributed expenditures - instruction					
Tuition to other LEAs within the state - regular	\$ 25,000	\$ (25,000)	\$ -	\$ -	\$ -
Tuition to priv. school for the disabled w/i state	60,000	(9,078)	50,922	42,341	8,581
Total	85,000	(34,078)	50,922	42,341	8,581
Undistributed expenditures - attendance & social work					
Salaries	17,000	-	17,000	16,996	4
Total	17,000	-	17,000	16,996	4
Undistributed expenditures - health services					
Salaries	76,380	40,498	116,878	64,328	52,550
Purchased professional and technical services	3,500	-	3,500	3,000	500
Other purchased services	100	-	100	-	100
Supplies and materials	3,200	(1,975)	1,225	745	480
Total	83,180	38,523	121,703	68,073	53,630
Undistributed expenditures - speech, ot, pt & related services					
Salaries	213,478	32,959	246,437	246,437	-
Purchased professional - educational services	2,500	(1,456)	1,044	-	1,044
Supplies and materials	-	1,456	1,456	1,066	390
Total	215,978	32,959	248,937	247,503	1,434
Undistributed expenditures - guidance					
Salaries of other professional staff	160,871	-	160,871	138,192	22,679
Salaries of secretarial and clerical assistants	5,000	-	5,000	-	5,000
Other purchased professional & technical services	2,000	-	2,000	-	2,000
Supplies and materials	1,500	-	1,500	-	1,500
Total	169,371	-	169,371	138,192	31,179
Undistributed expenditures - child study teams					
Salaries of other professional staff	257,552	31,078	288,630	288,630	-
Salaries of secretarial and clerical assistants	66,052	340	66,392	66,392	-
Purchased professional - educational services	3,000	(1,031)	1,969	-	1,969
Other purchased services	-	344	344	344	-
Supplies and materials	4,050	5,232	9,282	8,331	951
Total	330,654	35,963	366,617	363,697	2,920

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule (continued)
For the Fiscal Year Ended June 30, 2022

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Expenditures (cont'd)					
Undistributed expenditures - improvement of inst. service					
Salaries of supervisor of instruction	\$ 97,945	\$ (97,945)	\$ -	\$ -	\$ -
Salaries of other professional staff	1,500	100,658	102,158	102,158	-
Salaries of secretarial & clerical assist	-	1,500	1,500	-	1,500
Other purchased services	500	350	850	850	-
Supplies and materials	500	-	500	239	261
Total	<u>100,445</u>	<u>4,563</u>	<u>105,008</u>	<u>103,247</u>	<u>1,761</u>
Undistributed expenditures - edu. media service/sch. library					
Salaries	141,513	11,904	153,417	153,417	-
Purchased professional and technical services	109,920	(109,920)	-	-	-
Other purchased services	-	133,456	133,456	133,456	-
Supplies and materials	13,000	(5,523)	7,477	4,896	2,581
Total	<u>264,433</u>	<u>29,917</u>	<u>294,350</u>	<u>291,769</u>	<u>2,581</u>
Undistributed expenditures - instructional staff training services					
Purchased professional - educational services	7,000	(5,700)	1,300	-	1,300
Other purchased services	10,000	-	10,000	9,742	258
Total	<u>17,000</u>	<u>(5,700)</u>	<u>11,300</u>	<u>9,742</u>	<u>1,558</u>
Undistributed expenditures - support service - general admin.					
Salaries	229,775	9,028	238,803	238,803	-
Legal services	20,000	21,192	41,192	41,060	132
Audit fees	22,000	(188)	21,812	21,150	662
Purchased technical services	10,500	(2,755)	7,745	3,936	3,809
Communications/telephone	20,625	19,777	40,402	40,284	118
BOE other purchased services	4,750	(4,503)	247	-	247
Misc purch services	36,627	2,221	38,848	38,634	214
General supplies	4,200	1,270	5,470	5,470	-
Miscellaneous expenditures	2,725	4,565	7,290	5,230	2,060
BOE membership dues and fees	6,250	(255)	5,995	4,932	1,063
Total	<u>357,452</u>	<u>50,352</u>	<u>407,804</u>	<u>399,499</u>	<u>8,305</u>
Undistributed expenditures - support service - school admin.					
Salaries of principals/assistant principals	122,878	4,055	126,933	126,933	-
Salaries of secretarial and clerical assistants	81,325	-	81,325	56,580	24,745
Purchased professional and technical services	2,500	-	2,500	-	2,500
Other purchased services	12,000	(12,000)	-	-	-
Supplies and materials	3,400	(660)	2,740	1,024	1,716
Other objects	1,500	660	2,160	2,160	-
Total	<u>223,603</u>	<u>(7,945)</u>	<u>215,658</u>	<u>186,697</u>	<u>28,961</u>

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule (continued)
For the Fiscal Year Ended June 30, 2022

	Unaudited			Actual	Variance
	Original Budget	Budget Transfers	Final Budget		Final to Actual
Expenditures (cont'd)					
Undistributed expenditures - central services					
Salaries	\$ 190,009	\$ 8,763	\$ 198,772	\$ 198,772	\$ -
Purchased professional services	18,800	(13,120)	5,680	1,900	3,780
Purchased technical services	10,000	11,729	21,729	19,848	1,881
Miscellaneous purchased services	1,400	-	1,400	510	890
Supplies and materials	1,800	1,102	2,902	2,902	-
Other objects	1,350	197	1,547	1,547	-
Total	223,359	8,671	232,030	225,479	6,551
Undistributed expenditures - req. maint. for school facilities					
Cleaning, repair, and maintenance services	28,500	-	28,500	25,751	2,749
General supplies	10,500	-	10,500	1,034	9,466
Total	39,000	-	39,000	26,785	12,215
Undistributed expenditures - custodial services					
Salaries	237,476	18,751	256,227	236,227	20,000
Salaries of non-instructional aides	-	20,047	20,047	20,047	-
Purchased professional and technical services	9,000	1,245	10,245	8,495	1,750
Cleaning, repair, and maintenance service	25,000	4,465	29,465	29,465	-
Insurance	35,000	1,921	36,921	36,921	-
Miscellaneous purchased services	-	512	512	512	-
General supplies	54,664	(30,217)	24,447	21,720	2,727
Energy (natural gas)	3,000	1,756	4,756	4,756	-
Energy (electricity)	70,000	(15,277)	54,723	45,288	9,435
Energy (oil)	70,000	(12,305)	57,695	55,458	2,237
Other objects	500	250	750	436	314
Total	504,640	(8,852)	495,788	459,325	36,463
Undistributed expenditures - care and upkeep of grounds					
Cleaning, repair, and maintenance service	9,000	7,675	16,675	14,475	2,200
Total	9,000	7,675	16,675	14,475	2,200
Undistributed expenditures - security					
Purchased professional and technical services	750	-	750	-	750
Total	750	-	750	-	750
Undistributed expenditures - student transportation service					
Salaries for pupil trans. (between home & school) - reg.	2,000	-	2,000	1,999	1
Management fee - ESC & CTSA trans. program	2,250	-	2,250	1,520	730
Other purchased professional and technical service	14,000	-	14,000	12,151	1,849
Contract serv-aid in lieu pymts - non-public schools	20,000	(6,700)	13,300	9,178	4,122
Contract serv-aid in lieu pymts-charter school students	1,200	-	1,200	-	1,200
Contract serv (between home & school) - vendors	238,000	20,105	258,105	236,859	21,246
Contract serv (oth. than between home & school) - vendors	1,000	-	1,000	-	1,000
Contract serv (between home & school) - joint agreements	81,500	30,499	111,999	111,999	-
Contract serv (sp. Ed. stds) - vendors	73,000	33,754	106,754	106,754	-
Contract serv (spl. ed. students) - ESCs & CTSA's	28,500	(28,500)	-	-	-
Total	461,450	49,158	510,608	480,460	30,148

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule (continued)
For the Fiscal Year Ended June 30, 2022

	Unaudited			Actual	Variance
	Original Budget	Budget Transfers	Final Budget		Final to Actual
Expenditures (cont'd)					
Unallocated benefits - employee benefits					
Social Security contributions	\$ 85,000	\$ 6,067	\$ 91,067	\$ 91,067	\$ -
TPAF contributions - ERIP	25,000	6,275	31,275	31,275	-
Other retirement contributions - PERS	103,000	27,244	130,244	127,169	3,075
Other retirement contributions - ERIP	-	1,500	1,500	1,005	495
Other retirement contributions - regular	1,500	(1,500)	-	-	-
Unemployment compensation	5,000	-	5,000	-	5,000
Workmen's compensation	48,000	(22,024)	25,976	25,976	-
Health benefits	2,215,107	(325,918)	1,889,189	1,888,843	346
Tuition reimbursement	22,500	(2,125)	20,375	19,577	798
Other employee benefits	15,000	15,702	30,702	30,702	-
Unused sick payment to terminated/retired staff	25,000	(1,000)	24,000	-	24,000
Total	<u>2,545,107</u>	<u>(295,779)</u>	<u>2,249,328</u>	<u>2,215,614</u>	<u>33,714</u>
On-behalf TPAF Pension contribution	-	-	-	1,863,318	(1,863,318)
On-behalf TPAF Non-contributory insurance	-	-	-	26,289	(26,289)
On-behalf TPAF Postretirement medical benefits	-	-	-	441,489	(441,489)
On-behalf TPAF Long-term disability insurance	-	-	-	712	(712)
Reimbursed TPAF Social Security contribution	-	-	-	405,812	(405,812)
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,737,620</u>	<u>(2,737,620)</u>
Total undistributed expenditures	<u>\$ 5,647,422</u>	<u>\$ (94,573)</u>	<u>\$ 5,552,849</u>	<u>\$ 8,027,514</u>	<u>\$ (2,474,665)</u>
Total current	<u>\$ 10,408,600</u>	<u>\$ (4,296)</u>	<u>\$ 10,404,304</u>	<u>\$ 12,837,127</u>	<u>\$ (2,432,823)</u>
Capital outlay					
Equipment					
Undistributed					
Undistributed expenditures - instruction	\$ -	\$ 50,614	\$ 50,614	\$ 50,614	\$ -
Total equipment	<u>-</u>	<u>50,614</u>	<u>50,614</u>	<u>50,614</u>	<u>-</u>
Facilities acquisition and construction service					
Architectural/engineering services	-	4,979	4,979	4,979	-
Construction services	768,740	(55,594)	713,146	306,072	407,074
Assessment for debt service on SDA funding	2,925	-	2,925	2,925	-
Total facilities acquisition and construction service	<u>771,665</u>	<u>(50,615)</u>	<u>721,050</u>	<u>313,976</u>	<u>407,074</u>
Total capital outlay	<u>\$ 771,665</u>	<u>\$ (1)</u>	<u>\$ 771,664</u>	<u>\$ 364,590</u>	<u>\$ 407,074</u>
Transfer of funds to charter schools	<u>\$ 11,783</u>	<u>\$ 2,247</u>	<u>\$ 14,030</u>	<u>\$ 14,030</u>	<u>\$ -</u>
Transfer of funds to resident renaissance schools	<u>75</u>	<u>(75)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>\$ 11,192,123</u>	<u>\$ (2,125)</u>	<u>\$ 11,189,998</u>	<u>\$ 13,215,747</u>	<u>\$ (2,025,749)</u>

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule (continued)
For the Fiscal Year Ended June 30, 2022

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Excess (deficiency) of revenues over (under) expenditures	\$ (1,105,034)	\$ 2,125	\$ (1,102,909)	\$ (417,916)	\$ 684,993
Other financing sources (uses)					
Operating transfer out					
Transfer to enterprise fund - board contribution	-	(2,125)	(2,125)	(2,125)	-
Total other financing sources (uses)	-	(2,125)	(2,125)	(2,125)	-
Excess (deficiency) of revenues & other financing sources over (under) expenditures & other financing uses	(1,105,034)	-	(1,105,034)	(420,041)	684,993
Fund balances, July 1	2,238,863	-	2,238,863	2,238,863	-
Fund balances, June 30	<u>\$ 1,133,829</u>	<u>\$ -</u>	<u>\$ 1,133,829</u>	<u>\$ 1,818,822</u>	<u>\$ 684,993</u>
Recapitulation of excess (deficiency) of revenues over (under) expenditures					
Adjustment for prior year encumbrances	\$ (273,164)	\$ -	\$ (273,164)	\$ (273,164)	\$ -
Interest deposit to capital reserve	100	-	100	-	(100)
Withdrawal from capital reserve	(502,925)	-	(502,925)	(43,158)	459,767
Interest earned on maintenance reserve	100	-	100	-	(100)
Interest earned on unemployment compensation	-	-	-	50	50
Budgeted fund balance	(329,145)	-	(329,145)	(103,769)	225,376
Total	<u>\$ (1,105,034)</u>	<u>\$ -</u>	<u>\$ (1,105,034)</u>	<u>\$ (420,041)</u>	<u>\$ 684,993</u>
Recapitulation of fund balance					
Restricted fund balance					
Capital reserve				\$ 476,014	
Maintenance reserve				526,240	
Unemployment compensation				246,962	
Committed fund balance					
Year-end encumbrances				17,524	
Assigned fund balance					
Designated for subsequent year's expenditures				150,564	
Unassigned fund balance				<u>401,518</u>	
Fund balance per budgetary basis				1,818,822	
Reconciliation to governmental statements (GAAP)					
Last state aid payments not recognized on GAAP basis				<u>(379,253)</u>	
Fund balance per governmental funds (GAAP)				<u>\$ 1,439,569</u>	

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2022

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Revenues					
Local sources	\$ 2,979	\$ 17,269	\$ 20,248	\$ 17,769	\$ (2,479)
Federal sources	760,844	-	760,844	760,844	-
Total revenues	<u>\$ 763,823</u>	<u>\$ 17,269</u>	<u>\$ 781,092</u>	<u>\$ 778,613</u>	<u>\$ (2,479)</u>
Expenditures					
Instruction					
Salaries for instruction	\$ 180,116	\$ (6,988)	\$ 173,128	\$ 173,128	\$ -
Purchased professional & technical services	1,000	74,464	75,464	75,464	-
Other purchased services	-	97,074	97,074	97,074	-
General supplies	24,045	93,220	117,265	114,786	2,479
Total	<u>205,161</u>	<u>257,770</u>	<u>462,931</u>	<u>460,452</u>	<u>2,479</u>
Support services					
Other salaries	81,389	-	81,389	81,389	-
Purchased professional & technical services	377,207	(252,585)	124,622	124,622	-
Other purchased services	8,143	18,313	26,456	26,456	-
General supplies	13,796	43,945	57,741	57,741	-
Indirect costs	12,412	(12,412)	-	-	-
Student activities	500	16,074	16,574	16,574	-
Total	<u>493,447</u>	<u>(186,665)</u>	<u>306,782</u>	<u>306,782</u>	<u>-</u>
Capital outlay					
Building	65,215	(65,215)	-	-	-
Equipment	-	10,184	10,184	10,184	-
Total	<u>65,215</u>	<u>(55,031)</u>	<u>10,184</u>	<u>10,184</u>	<u>-</u>
Total expenditures	<u>\$ 763,823</u>	<u>\$ 16,074</u>	<u>\$ 779,897</u>	<u>\$ 777,418</u>	<u>\$ 2,479</u>
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ 1,195	\$ 1,195	\$ 1,195	\$ -
Fund balances, July 1	<u>11,273</u>	<u>-</u>	<u>11,273</u>	<u>11,273</u>	<u>-</u>
Fund balances, June 30	<u>\$ 11,273</u>	<u>\$ 1,195</u>	<u>\$ 12,468</u>	<u>\$ 12,468</u>	<u>\$ -</u>
Recapitulation of fund balance					
Restricted fund balance					
Student activities				\$ 12,468	
Fund balance per budgetary basis				<u>\$ 12,468</u>	

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to Required Supplementary Information
Budget-to-GAAP Reconciliation
For the Fiscal Year Ended June 30, 2022

Explanation of Differences Between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

<u>Sources/Inflows of Resources</u>	<u>General Fund</u>	<u>Special Revenue Fund</u>
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$ 12,797,831	\$ 778,613
The last state aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the state recognizes the related expenses (GASB 33):		
State aid receivable prior year	378,047	-
State aid receivable current year	<u>(379,253)</u>	<u>-</u>
Total revenues (GAAP basis)	<u>\$ 12,796,625</u>	<u>\$ 778,613</u>
	<u>General Fund</u>	<u>Special Revenue Fund</u>
<u>Uses/Outflows of Resources</u>	<u>Fund</u>	<u>Fund</u>
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	<u>\$ 13,215,747</u>	<u>\$ 777,418</u>
Total expenditures (GAAP basis)	<u>\$ 13,215,747</u>	<u>\$ 777,418</u>

See independent auditors' report.

REQUIRED SUPPLEMENTARY INFORMATION - PART III

**SCHEDULES RELATED TO ACCOUNTING
AND REPORTING FOR PENSIONS (GASB 68) (UNAUDITED)**

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Public Employees Retirement System
Last Ten Fiscal Years

	District's proportion of the net pension liability (asset)		District's covered employee payroll	District's proportion of the net pension liability (asset) as a percentage of its covered employee payroll	Plan fiduciary net position as a percentage of the total pension liability
	Percentage	Value			
2013	0.0077795075%	\$ 1,486,818	\$ 518,180	286.93%	48.72%
2014	0.0077386119%	1,448,880	557,526	259.88%	52.08%
2015	0.0081951138%	2,350,829	568,546	413.48%	47.93%
2016	0.0087436120%	2,589,607	580,461	446.13%	40.14%
2017	0.0086449253%	2,012,400	684,224	294.11%	48.10%
2018	0.0098257030%	1,934,632	710,933	272.13%	53.60%
2019	0.0104382063%	1,880,806	751,552	250.26%	56.27%
2020	0.0102328301%	1,668,707	801,526	208.19%	58.32%
2021	0.0107904747%	1,278,293	818,607	156.15%	70.33%
2022	N/A	N/A	898,612	N/A	N/A

N/A = Information not available

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Schedule of District's Contributions
Public Employees Retirement System
Last Ten Fiscal Years

	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	District's covered employee payroll	Contributions as a percentage of covered employee payroll
2013	\$ 61,197	\$ (61,197)	\$ -	\$ 518,180	11.81%
2014	58,617	(58,617)	-	557,526	10.51%
2015	63,796	(63,796)	-	568,546	11.22%
2016	70,456	(70,456)	-	580,461	12.14%
2017	77,762	(77,762)	-	684,224	11.36%
2018	80,086	(80,086)	-	710,933	11.26%
2019	97,734	(97,734)	-	751,552	13.00%
2020	101,533	(101,533)	-	801,526	12.67%
2021	111,942	(111,942)	-	818,607	13.67%
2022	126,369	(126,369)	-	898,612	14.06%

N/A = Information not available

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Teacher's Pension and Annuity Fund
Last Ten Fiscal Years

	Proportionate share of net pension liability (asset)			Total	District's covered employee payroll	District's proportion of the net pension liability (asset) as a percentage of its covered employee payroll	Plan fiduciary net position as as a percentage of the total pension liability
	District's proportion		State's				
	Percentage	Value	proportion				
2013	0.00%	\$ -	\$ 22,821,533	\$ 22,821,533	\$ 4,649,890	0.00%	33.76%
2014	0.00%	-	25,283,200	25,283,200	4,818,878	0.00%	33.64%
2015	0.00%	-	29,595,038	29,595,038	4,784,251	0.00%	28.71%
2016	0.00%	-	36,850,083	36,850,083	4,944,527	0.00%	22.33%
2017	0.00%	-	31,413,247	31,413,247	5,045,431	0.00%	25.41%
2018	0.00%	-	29,979,673	29,979,673	4,946,272	0.00%	26.49%
2019	0.00%	-	29,061,662	29,061,662	4,737,450	0.00%	26.95%
2020	0.00%	-	30,270,294	30,270,294	5,082,709	0.00%	24.60%
2021	0.00%	-	21,546,823	21,546,823	5,397,093	0.00%	35.52%
2022	N/A	N/A	N/A	N/A	5,631,476	N/A	N/A

N/A = Information not available

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Schedule of District's Contributions
Teacher's Pension and Annuity Fund
Last Ten Fiscal Years

	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	District's covered employee payroll	Contributions as a percentage of covered employee payroll
2013	\$ 291,778	\$ (291,778)	\$ -	\$ 4,649,890	6.27%
2014	200,122	(200,122)	-	4,818,878	4.15%
2015	253,150	(253,150)	-	4,784,251	5.29%
2016	375,047	(375,047)	-	4,944,527	7.59%
2017	524,056	(524,056)	-	5,045,431	10.39%
2018	632,324	(632,324)	-	4,946,272	12.78%
2019	950,836	(950,836)	-	4,737,450	20.07%
2020	952,122	(952,122)	-	5,082,709	18.73%
2021	1,041,679	(1,041,679)	-	5,397,093	19.30%
2022	1,313,427	(1,313,427)	-	5,631,476	23.32%

N/A = Information not available

See independent auditors' report.

**SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR
OTHER POSTEMPLOYMENT EMPLOYEE BENEFITS (GASB 75) (UNAUDITED)**

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Other
Postemployment Employee Benefits Liability
Last Ten Fiscal Years

	Proportionate share of other postemployment employee benefits liability (asset)			Total	District's covered employee payroll	District's proportion of the other postemployment employee liability (asset) as a percentage of its covered employee payroll	Plan fiduciary net position as a percentage of the total other postemployment employee benefits liability
	District's proportion		State's				
	Percentage	Value	proportion				
2013	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2017	0.00%	\$ -	\$ 24,703,270	\$ 24,703,270	\$ 5,729,655	0.00%	0.00%
2018	0.00%	-	20,947,273	20,947,273	5,657,205	0.00%	0.00%
2019	0.00%	-	18,322,541	18,322,541	5,489,002	0.00%	0.00%
2020	0.00%	-	30,416,676	30,416,676	5,884,235	0.00%	0.00%
2021	0.00%	-	27,255,562	27,255,562	6,215,700	0.00%	0.00%
2022	N/A	N/A	N/A	N/A	N/A	N/A	N/A

N/A = Information not available

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Required Supplementary Information - Part III
(Unaudited)
June 30, 2022

- Note 1 - Special funding situation - TPAF and other postretirement benefits
The participating employer allocations included in the supplemental Schedule of Employer Special Funding Allocations and the supplemental Schedule of Special Funding Amounts by Employer for each local employer are provided as each local employer is required to record in their financial statements, as an expense and corresponding revenue, their proportionate share of the pension expense and other postretirement benefits (OPEB) expense allocated to the State of New Jersey (the State) under the special-funding situation and include their proportionate share of the net pension liability and OPEB liability in their respective notes to their financial statements. For this purpose, the proportionate share was developed based on actual contributions made to the Teachers' Pension and Annuity Fund and for OPEB allocated to employers based upon covered payroll and adjusted by expected State Early Retirement Incentive contributions for the respective fiscal year.
- Note 2 - Changes in assumptions - TPAF
The discount rate was 5.40% in State fiscal year 2020 and 7.00% in State fiscal year 2021. The inflation rate was 2.75% in State fiscal year 2020 and 2021.
- Note 3 - Changes in assumptions - PERS
The discount rate was 7.00% in State fiscal year 2020 and 7.00% in State fiscal year 2021. The inflation rate was 2.75% for State fiscal year 2020 and 2021.
- Note 4 - Changes in assumptions - other postretirement employee benefits
The other postretirement employee benefits discount rate decreased from 2.21% in State fiscal year 2020 to 2.16% in State fiscal year 2021. The inflation rate was 2.50% for State fiscal year 2020 and 2021.
- Note 5 - Changes in healthcare trend assumptions - other postretirement employee benefits
For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.50% long-term trend rate after seven years. For post-65 medical benefits, the actual fully insured Medicare Advantage trend rates for fiscal year 2022 through 2023 are reflected. For PPO the trend is initially 5.74% in fiscal year 2024, increasing to 12.93% in fiscal year 2025 and decreases to 4.50% after 11 years. For HMO the trend is initially 6.01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025 and decreases to 4.5% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.
- Note 6 - Changes in benefit term assumptions - other postretirement employee benefits
There was a decrease in liability from June 30, 2021 to June 30, 2022 due to employers adopting Chapter 44 provisions.

SPECIAL REVENUE FUND

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

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues
and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2022

	Total Brought Forward	IDEA Basic	IDEA Preschool	ESSA Title I	ESSA Title IIA	Total
Revenues						
Federal sources	\$ 490,994	\$ 159,156	\$ 7,215	\$ 90,502	\$ 12,977	\$ 760,844
Local sources	17,769	-	-	-	-	17,769
Total revenues	<u>\$ 508,763</u>	<u>\$ 159,156</u>	<u>\$ 7,215</u>	<u>\$ 90,502</u>	<u>\$ 12,977</u>	<u>\$ 778,613</u>
Expenditures						
Instruction						
Salaries	\$ 92,758	\$ 16,227	\$ -	\$ 64,143	\$ -	\$ 173,128
Purchased professional and technical services	71,043	4,421	-	-	-	75,464
Other purchased services	76,347	19,539	-	-	1,188	97,074
General supplies	61,714	21,169	7,215	24,688	-	114,786
Total	<u>301,862</u>	<u>61,356</u>	<u>7,215</u>	<u>88,831</u>	<u>1,188</u>	<u>460,452</u>
Support services						
Salaries	81,389	-	-	-	-	81,389
Purchased professional and technical services	37,006	87,616	-	-	-	124,622
Other purchased services	24,785	-	-	1,671	-	26,456
General supplies	45,952	-	-	-	11,789	57,741
Student activities	16,574	-	-	-	-	16,574
Total	<u>205,706</u>	<u>87,616</u>	<u>-</u>	<u>1,671</u>	<u>11,789</u>	<u>306,782</u>
Capital outlay						
Equipment	-	10,184	-	-	-	10,184
Total expenditures	<u>\$ 507,568</u>	<u>\$ 159,156</u>	<u>\$ 7,215</u>	<u>\$ 90,502</u>	<u>\$ 12,977</u>	<u>\$ 777,418</u>
Excess (deficiency) of revenues over (under) expenditures	\$ 1,195	\$ -	\$ -	\$ -	\$ -	\$ 1,195
Fund balances, July 1	11,273	-	-	-	-	11,273
Fund balances, June 30	<u>\$ 12,468</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,468</u>

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues
and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2022

	Total Brought Forward	ESSA Title III	ESSA Title IV	CRRSA ESSER II	CRRSA Learning Acceleration	Total Carried Forward
Revenues						
Federal sources	\$ 158,469	\$ 26,769	\$ 10,000	\$ 270,756	\$ 25,000	\$ 490,994
Local sources	17,769	-	-	-	-	17,769
Total revenues	\$ 176,238	\$ 26,769	\$ 10,000	\$ 270,756	\$ 25,000	\$ 508,763
Expenditures						
Instruction						
Salaries	\$ 5,642	\$ 11,721	\$ -	\$ 75,395	\$ -	\$ 92,758
Purchased professional and technical services	15,358	-	-	30,685	25,000	71,043
Other purchased services	-	-	-	76,347	-	76,347
General supplies	46,376	14,450	888	-	-	61,714
Total	67,376	26,171	888	182,427	25,000	301,862
Support services						
Salaries	81,389	-	-	-	-	81,389
Purchased professional and technical services	504	-	-	36,502	-	37,006
Other purchased services	-	598	9,112	15,075	-	24,785
General supplies	9,200	-	-	36,752	-	45,952
Student activities	16,574	-	-	-	-	16,574
Total	107,667	598	9,112	88,329	-	205,706
Capital outlay						
Equipment	-	-	-	-	-	-
Total expenditures	\$ 175,043	\$ 26,769	\$ 10,000	\$ 270,756	\$ 25,000	\$ 507,568
Excess (deficiency) of revenues over (under) expenditures	\$ 1,195	\$ -	\$ -	\$ -	\$ -	\$ 1,195
Fund balances, July 1	11,273	-	-	-	-	11,273
Fund balances, June 30	\$ 12,468	\$ -	\$ -	\$ -	\$ -	\$ 12,468

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues
and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2022

	CRRSA Mental Health	ARP IDEA Basic	ARP IDEA Preschool	FEMA	Student Activities	Total Carried Forward
Revenues						
Federal sources	\$ 45,000	\$ 26,143	\$ 2,223	\$ 85,103	\$ -	\$ 158,469
Local sources	-	-	-	-	17,769	17,769
Total revenues	<u>\$ 45,000</u>	<u>\$ 26,143</u>	<u>\$ 2,223</u>	<u>\$ 85,103</u>	<u>\$ 17,769</u>	<u>\$ 176,238</u>
Expenditures						
Instruction						
Salaries	\$ 5,642	\$ -	\$ -	\$ -	\$ -	\$ 5,642
Purchased professional and technical services	9,358	6,000	-	-	-	15,358
Other purchased services	-	-	-	-	-	-
General supplies	30,000	14,153	2,223	-	-	46,376
Total	<u>45,000</u>	<u>20,153</u>	<u>2,223</u>	<u>-</u>	<u>-</u>	<u>67,376</u>
Support services						
Salaries	-	-	-	81,389	-	81,389
Purchased professional and technical services	-	-	-	504	-	504
Other purchased services	-	-	-	-	-	-
General supplies	-	5,990	-	3,210	-	9,200
Student activities	-	-	-	-	16,574	16,574
Total	<u>-</u>	<u>5,990</u>	<u>-</u>	<u>85,103</u>	<u>16,574</u>	<u>107,667</u>
Capital outlay						
Equipment	-	-	-	-	-	-
Total expenditures	<u>\$ 45,000</u>	<u>\$ 26,143</u>	<u>\$ 2,223</u>	<u>\$ 85,103</u>	<u>\$ 16,574</u>	<u>\$ 175,043</u>
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -	\$ 1,195	\$ 1,195
Fund balances, July 1	-	-	-	-	11,273	11,273
Fund balances, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,468</u>	<u>\$ 12,468</u>

See independent auditors' report.

CAPITAL PROJECTS FUND

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.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Project Expenditures
For the Fiscal Year Ended June 30, 2022

<u>Description</u>	<u>Approval Date</u>	<u>Revised Budgetary Appropriations</u>	<u>GAAP Expenditures to Date</u>		<u>Unexpended Appropriations 06/30/22</u>
			<u>Prior Years</u>	<u>Current Year</u>	
Renovations to the Mansfield School Building	03/11/14	\$ 6,685,000	\$ 6,679,899	\$ -	\$ 5,101
		<u>\$ 6,685,000</u>	<u>\$ 6,679,899</u>	<u>\$ -</u>	<u>\$ 5,101</u>

See independent auditors' report.

MANSFIELD 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, 2022

Fund balance - beginning	<u>\$ 5,101</u>
Fund balance - ending	<u><u>\$ 5,101</u></u>

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance and Project Status
Budgetary Basis
Renovations to the Mansfield School Building
For the Fiscal Year Ended June 30, 2022

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
Local sources				
Bond proceeds	\$ 6,685,000	\$ -	\$ 6,685,000	\$ 6,685,350
Total revenues	6,685,000	-	6,685,000	6,685,350
Expenditures and other financing uses				
Bonding/legal fees	95,728	-	95,728	78,265
Architectural/engineering	325,194	-	325,194	354,000
Other purchased professional & technical services	60,998	-	60,998	85,983
Construction services	6,197,979	-	6,197,979	6,167,102
Total expenditures	6,679,899	-	6,679,899	6,685,350
Excess (deficiency) of revenues over (under) expenditures	\$ 5,101	\$ -	\$ 5,101	\$ -

Additional Project Information

Project number	2970-050-14-1000
Grant date	N/A
Bond authorization date	03/11/14
Bonds authorized	\$ 6,685,350
Bonds issued	6,685,000
Original authorized cost	6,685,350
Additional authorized cost	-
Revised authorized cost	6,685,350
Percentage completion	99.92%

See independent auditors' report.

PROPRIETARY FUND

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.

See Statements B-4, B-5, and B-6

FIDUCIARY FUNDS

Fiduciary Funds are used to account for funds received by the school district as an agent for individuals, private organizations, other government and/or other funds.

(NOT APPLICABLE TO THIS REPORT)

LONG-TERM DEBT SCHEDULES

The Long-Term Debt Schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the School District. This includes serial bonds outstanding, obligations under leases, and early retirement program.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Debt Service Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2022

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Revenues					
Local sources					
Local tax levy	\$ 284,880	\$ -	\$ 284,880	\$ 284,880	\$ -
State sources					
Type II	171,170	-	171,170	171,170	-
Total revenues	<u>456,050</u>	<u>-</u>	<u>456,050</u>	<u>456,050</u>	<u>-</u>
Expenditures					
Regular debt service					
Interest on bonds	156,051	-	156,051	156,050	1
Redemption of principal	300,000	-	300,000	300,000	-
Total expenditures	<u>456,051</u>	<u>-</u>	<u>456,051</u>	<u>456,050</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	(1)	-	(1)	-	1
Fund balance, July 1	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>-</u>
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>

See independent auditors' report.

STATISTICAL SECTION

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Statistical Section J Series

CONTENTS	PAGE
FINANCIAL TRENDS	
These schedules contain trend information to help the reader understand how the District's financial performance and wellbeing have changed over time.	J-1 to J-5
REVENUE CAPACITY	
These schedules contain trend information to help the reader assess the District's most significant local revenue sources, the property tax.	J-6 to J-9
DEBT CAPACITY	
These schedules contain trend information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	J-10 to J-13
DEMOGRAPHIC AND ECONOMIC INFORMATION	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	J-14 to J-15
OPERATING INFORMATION	
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	J-16 to J-20
Sources: Unless otherwise noted, the information in these schedules are derived from the Annual Comprehensive Financial Reports (ACFR) for the relevant year.	
The District implemented GASB Statement No. 84 in the fiscal year ending June 30, 2021. Schedules presenting information relating to the implementation of GASB Statement No. 84 include information beginning in that year.	

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Net Position by Component
Last Ten Fiscal Years (Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Government activities										
Net investment in capital assets	\$ 3,927,154	\$ 4,194,470	\$ 4,454,564	\$ 4,611,260	\$ 4,722,320	\$ 4,896,448	\$ 5,111,990	\$ 4,429,195	\$ 4,434,731	\$ 4,530,866
Restricted	1,183,580	1,255,074	1,281,189	1,357,097	1,174,072	1,337,416	1,532,390	1,931,941	1,308,699	1,266,786
Unrestricted	(157,168)	(1,535,244)	(1,686,960)	(1,763,170)	(1,931,879)	(2,216,084)	(2,047,472)	(2,003,595)	(1,852,785)	(1,991,971)
Total governmental activities	\$ 4,953,566	\$ 3,914,300	\$ 4,048,793	\$ 4,205,187	\$ 3,964,513	\$ 4,017,780	\$ 4,596,908	\$ 4,357,541	\$ 3,890,645	\$ 3,805,681
Business-type activities										
Net investment in capital assets	\$ 9,695	\$ 7,781	\$ 5,866	\$ 19,434	\$ 16,890	\$ 14,347	\$ 24,999	\$ 21,922	\$ 19,459	\$ 16,996
Unrestricted	82,755	120,820	109,193	121,313	162,489	183,811	164,621	155,648	144,889	396,726
Total business-type activities	\$ 92,450	\$ 128,601	\$ 115,059	\$ 140,747	\$ 179,379	\$ 198,158	\$ 189,620	\$ 177,570	\$ 164,348	\$ 413,722
District-wide										
Net investment in capital assets	\$ 3,936,849	\$ 4,202,251	\$ 4,460,430	\$ 4,630,694	\$ 4,739,210	\$ 4,910,795	\$ 5,136,989	\$ 4,451,117	\$ 4,454,190	\$ 4,547,862
Restricted	1,183,580	1,255,074	1,281,189	1,357,097	1,174,072	1,337,416	1,532,390	1,931,941	1,308,699	1,266,786
Unrestricted	(74,413)	(1,414,424)	(1,577,767)	(1,641,857)	(1,769,390)	(2,032,273)	(1,882,851)	(1,847,947)	(1,707,896)	(1,595,245)
Total district-wide	\$ 5,046,016	\$ 4,042,901	\$ 4,163,852	\$ 4,345,934	\$ 4,143,892	\$ 4,215,938	\$ 4,786,528	\$ 4,535,111	\$ 4,054,993	\$ 4,219,403

*

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

* as restated

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Changes in Net Position
Last Ten Fiscal Years (Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities										
Instruction										
Regular	\$ 4,498,884	\$ 4,751,964	\$ 5,492,303	\$ 6,142,056	\$ 6,724,873	\$ 7,341,676	\$ 6,837,398	\$ 7,015,335	\$ 7,712,198	\$ 7,284,100
Special education	1,483,278	1,409,098	1,692,648	1,936,241	2,299,647	2,577,511	2,506,982	2,718,966	3,141,598	2,946,129
Other special education	397,791	383,924	439,260	444,814	405,011	339,438	321,254	486,004	459,067	474,029
Other instruction	517	-	-	-	-	-	-	-	-	-
Support services										
Tuition	1,982	113,700	197,323	267,121	93,565	131,965	-	-	30,928	42,341
Student & instruction related services	1,260,806	1,290,658	1,475,824	1,454,791	1,892,981	1,888,328	1,804,425	2,000,607	2,699,161	2,676,505
General & business administrative services	594,934	603,309	828,075	841,402	913,959	898,506	856,416	931,030	958,034	974,313
School administration	223,682	221,010	252,182	310,631	316,344	322,476	307,024	405,513	392,325	346,983
Plant operations & maintenance	595,477	690,177	663,945	684,436	835,471	1,024,170	770,838	592,507	649,515	631,296
Pupil transportation	518,101	589,355	662,703	630,343	620,763	621,589	636,734	593,327	600,861	693,768
Transfers to charter schools	66,778	16,516	16,546	-	7,280	8,089	45,531	9,929	-	14,030
Interest on long-term debt	40,534	27,636	185,288	202,282	189,315	177,762	171,172	164,309	157,195	149,709
Total governmental activities expenses	9,682,764	10,097,347	11,906,097	12,914,117	14,299,209	15,331,510	14,257,774	14,917,527	16,800,882	16,233,202
Business-type activities										
Food services	196,039	200,386	221,620	211,802	224,939	239,862	246,619	189,703	153,429	278,103
Before & after school childcare	109,435	108,512	181,892	192,505	164,181	151,461	163,661	83,298	3,903	114,192
Summer recreation program	-	15,615	17,176	12,160	16,793	13,961	12,987	14,877	-	2,880
Total business-type activities	305,474	324,513	420,688	416,467	405,913	405,284	423,267	287,878	157,332	395,175
Total district expenses	\$ 9,988,238	\$ 10,421,860	\$ 12,326,785	\$ 13,330,584	\$ 14,705,122	\$ 15,736,794	\$ 14,681,041	\$ 15,205,405	\$ 16,958,214	\$ 16,628,377

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Changes in Net Position (continued)
Last Ten Fiscal Years (Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Program revenues										
Governmental activities										
Charges for services										
Regular instruction	\$ 17,463	\$ 22,952	\$ 9,381	\$ 16,742	\$ 14,605	\$ 16,000	\$ 16,000	\$ 20,275	\$ 26,250	\$ 39,000
Special education instruction	28,194	34,726	35,607	36,634	35,762	36,061	48,601	38,898	38,899	19,249
Tuition	-	-	-	-	-	-	-	-	-	-
Student & instruction related services	-	252	188	210	5,092	274	331	576	2,176	17,769
General & business administrative services	-	1,416	1,150	791	1,509	1,534	1,534	1,534	1,825	1,564
Plant operations & maintenance	182	3,467	1,803	1,063	3,746	2,093	2,624	269	-	-
Pupil transportation	153,748	195,698	203,547	184,786	185,452	182,880	185,641	182,693	208,933	212,463
Operating grants & contributions	294,775	358,956	375,928	324,684	326,421	302,845	304,523	311,432	574,571	760,844
Total governmental activities	<u>494,362</u>	<u>617,467</u>	<u>627,604</u>	<u>564,910</u>	<u>572,587</u>	<u>541,687</u>	<u>559,254</u>	<u>555,677</u>	<u>852,654</u>	<u>1,050,889</u>
Business-type activities										
Charges for services										
Food service	100,077	103,028	118,658	132,309	130,428	129,809	121,205	78,991	5,087	30,130
Before & after school childcare	125,100	143,458	163,609	174,774	166,404	153,489	141,779	85,741	4,756	106,195
Summer recreation program	-	16,099	17,032	11,820	18,485	14,480	12,860	17,165	-	-
Operating grants & contributions	94,822	98,039	107,804	123,179	129,034	124,920	137,302	93,728	134,261	506,096
Total business-type activities	<u>319,999</u>	<u>360,624</u>	<u>407,103</u>	<u>442,082</u>	<u>444,351</u>	<u>422,698</u>	<u>413,146</u>	<u>275,625</u>	<u>144,104</u>	<u>642,421</u>
Total district-wide program revenues	<u>\$ 814,361</u>	<u>\$ 978,091</u>	<u>\$ 1,034,707</u>	<u>\$ 1,006,992</u>	<u>\$ 1,016,938</u>	<u>\$ 964,385</u>	<u>\$ 972,400</u>	<u>\$ 831,302</u>	<u>\$ 996,758</u>	<u>\$ 1,693,310</u>
Net (expense) revenues										
Governmental activities	\$ (9,188,402)	\$ (9,479,880)	\$ (11,278,493)	\$ (12,349,207)	\$ (13,726,622)	\$ (14,789,823)	\$ (13,698,520)	\$ (14,361,850)	\$ (15,948,228)	\$ (15,182,313)
Business-type activities	14,525	36,111	(13,585)	25,615	38,438	17,414	(10,121)	(12,253)	(13,228)	247,246
Total district-wide net expenses	<u>\$ (9,173,877)</u>	<u>\$ (9,443,769)</u>	<u>\$ (11,292,078)</u>	<u>\$ (12,323,592)</u>	<u>\$ (13,688,184)</u>	<u>\$ (14,772,409)</u>	<u>\$ (13,708,641)</u>	<u>\$ (14,374,103)</u>	<u>\$ (15,961,456)</u>	<u>\$ (14,935,067)</u>

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Changes in Net Position (continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General revenues & other changes in net position										
Governmental activities										
Property taxes levied for general purposes, net	\$ 4,867,038	\$ 4,927,038	\$ 4,927,038	\$ 5,268,633	\$ 5,334,006	\$ 5,440,686	\$ 5,549,498	\$ 5,660,488	\$ 5,773,698	\$ 5,979,230
Taxes levied for debt service	337,922	342,892	343,200	302,237	271,055	273,788	276,172	278,204	280,077	284,880
Unrestricted grants & contributions	4,590,032	4,587,705	6,107,203	6,905,423	7,881,826	9,077,459	8,410,025	7,899,052	9,384,706	8,825,011
Investment earnings	3,656	3,140	11,596	7,945	8,726	20,815	41,943	24,835	2,368	486
Miscellaneous income	23,882	8,040	23,949	21,363	9,996	30,342	10	3,904	40,483	9,867
Transfers in (out)	-	-	-	-	-	-	-	-	-	(2,125)
Loss on disposal of capital assets	-	-	-	-	(19,661)	-	-	-	-	-
Total governmental activities	<u>9,822,530</u>	<u>9,868,815</u>	<u>11,412,986</u>	<u>12,505,601</u>	<u>13,485,948</u>	<u>14,843,090</u>	<u>14,277,648</u>	<u>13,866,483</u>	<u>15,481,332</u>	<u>15,097,349</u>
Business-type activities										
Investment earnings	62	40	43	73	194	547	982	203	6	3
Miscellaneous income	34	-	-	-	-	818	601	-	-	-
Transfers in (out)	-	-	-	-	-	-	-	-	-	2,125
Total business-type activities	<u>96</u>	<u>40</u>	<u>43</u>	<u>73</u>	<u>194</u>	<u>1,365</u>	<u>1,583</u>	<u>203</u>	<u>6</u>	<u>2,128</u>
Total district-wide	<u>\$ 9,822,626</u>	<u>\$ 9,868,855</u>	<u>\$ 11,413,029</u>	<u>\$ 12,505,674</u>	<u>\$ 13,486,142</u>	<u>\$ 14,844,455</u>	<u>\$ 14,279,231</u>	<u>\$ 13,866,686</u>	<u>\$ 15,481,338</u>	<u>\$ 15,099,477</u>
Change in net position										
Governmental activities	\$ 634,128	\$ 388,935	\$ 134,493	\$ 156,394	\$ (240,674)	\$ 53,267	\$ 579,128	\$ (495,367)	\$ (466,896)	\$ (84,964)
Business-type activities	14,621	36,151	(13,542)	25,688	38,632	18,779	(8,538)	(12,050)	(13,222)	249,374
Total district	<u>\$ 648,749</u>	<u>\$ 425,086</u>	<u>\$ 120,951</u>	<u>\$ 182,082</u>	<u>\$ (202,042)</u>	<u>\$ 72,046</u>	<u>\$ 570,590</u>	<u>\$ (507,417)</u>	<u>\$ (480,118)</u>	<u>\$ 164,410</u>

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General fund										
Restricted	\$ 1,183,489	\$ 1,254,983	\$ 1,281,188	\$ 1,357,097	\$ 1,202,874	\$ 1,356,407	\$ 1,526,111	\$ 1,917,560	\$ 1,292,324	\$ 1,249,216
Committed	221,399	233,639	354,235	229,092	409,870	30,508	84,781	155,848	273,164	17,524
Assigned	92,293	92,293	92,293	92,293	25,689	6,138	155,342	203,301	329,145	150,564
Unassigned	(97,079)	(86,459)	(82,951)	(62,332)	(121,938)	44,457	80,140	60,840	(33,817)	22,265
Total general fund	<u>\$ 1,400,102</u>	<u>\$ 1,494,456</u>	<u>\$ 1,644,765</u>	<u>\$ 1,616,150</u>	<u>\$ 1,516,495</u>	<u>\$ 1,437,510</u>	<u>\$ 1,846,374</u>	<u>\$ 2,337,549</u>	<u>\$ 1,860,816</u>	<u>\$ 1,439,569</u>
								*		
All other governmental funds										
Restricted										
Special revenues fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,280	\$ 11,273	\$ 12,468
Capital projects fund	-	-	5,555,421	2,011,362	172,377	9,811	6,279	5,101	5,101	5,101
Assigned										
Debt service fund	91	91	1	-	-	-	-	-	-	-
Unassigned										
Debt service fund	-	-	-	-	1	1	1	1	1	1
Total all other governmental funds	<u>\$ 91</u>	<u>\$ 91</u>	<u>\$ 5,555,422</u>	<u>\$ 2,011,362</u>	<u>\$ 172,378</u>	<u>\$ 9,812</u>	<u>\$ 6,280</u>	<u>\$ 14,382</u>	<u>\$ 16,375</u>	<u>\$ 17,570</u>
										*

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

* as restated

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Tax levy	\$ 5,204,960	\$ 5,269,930	\$ 5,270,238	\$ 5,570,870	\$ 5,605,061	\$ 5,714,474	\$ 5,825,670	\$ 5,938,692	\$ 6,053,775	\$ 6,264,110
Tuition charges	44,194	50,786	44,247	51,834	50,362	52,061	64,601	59,123	65,149	58,249
Interest earnings	3,656	3,140	11,596	7,945	8,726	20,815	41,943	24,835	2,368	486
Miscellaneous	21,029	5,373	20,151	16,902	10,285	30,342		3,904	42,659	27,636
State sources	4,575,602	4,569,325	4,708,813	5,087,754	5,082,814	5,482,573	5,816,156	5,915,509	6,135,900	6,900,179
Federal sources	307,546	375,991	408,834	333,942	354,745	326,113	332,391	335,930	598,942	780,628
Total revenues	10,156,987	10,274,545	10,463,879	11,069,247	11,111,993	11,626,378	12,080,771	12,277,993	12,898,793	14,031,288
Expenditures										
Instruction										
Regular instruction	2,970,429	3,294,089	3,169,239	3,442,085	3,277,362	3,214,869	3,204,751	3,235,545	3,251,553	3,234,431
Special education instruction	913,914	897,417	958,384	1,044,988	1,106,680	1,147,400	1,169,383	1,293,150	1,423,379	1,411,092
Other special instruction	198,995	205,719	207,966	202,036	146,664	154,907	102,598	153,391	157,367	164,090
Other instruction	500	-	-	-	-	-	-	-	-	-
Support services										
Tuition	-	25,986	31,743	114,762	12,806	36,966	-	-	30,928	42,341
Student & instructional related services	783,559	828,927	811,811	852,639	887,392	840,440	874,196	955,223	1,223,726	1,239,219
General administration	255,185	277,546	278,043	293,201	288,075	326,421	367,304	349,251	370,305	399,499
School administration services	151,528	151,676	151,930	175,650	159,750	168,158	168,203	216,016	204,827	186,697
Central services	165,927	159,576	188,370	171,500	205,458	174,093	187,574	193,701	211,737	225,479
Plant operations & maintenance	486,432	576,612	547,212	547,386	653,208	820,491	591,462	489,540	498,869	500,585
Pupil transportation	363,734	390,111	456,563	442,351	434,265	438,216	450,829	396,727	391,718	480,460
Employee benefits	1,598,049	1,594,236	1,622,652	1,632,890	1,830,393	1,870,086	1,971,073	2,071,250	2,187,207	2,215,614
On-behalf TPAF Pension & Social Security contribution	972,745	886,735	1,004,841	1,177,871	1,322,306	1,522,428	1,723,250	1,771,268	2,129,247	2,737,620
Capital outlay	250,622	83,620	59,463	189,056	124,024	238,735	66,193	138,827	266,628	361,665
Transfer of funds to charter schools	66,778	16,516	16,546	-	-	8,089	45,531	9,929	-	14,030
Special revenue funds	294,775	358,956	375,928	324,684	326,421	302,845	304,523	311,432	574,754	777,419
Capital projects	-	-	1,246,139	3,544,059	1,838,985	162,566	3,532	1,178	-	-
Debt service										
Principal	380,000	400,000	415,000	200,000	245,000	255,000	265,000	275,000	285,000	300,000
Interest & other charges	45,125	32,469	17,969	286,764	191,843	186,219	180,037	173,288	166,288	158,975
Total expenditures	9,898,297	10,180,191	11,559,799	14,641,922	13,050,632	11,867,929	11,675,439	12,034,716	13,373,533	14,449,216

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Changes in Fund Balances - Governmental Funds (continued)
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Excess (deficiency) of revenues over (under) expenditures	\$ 258,690	\$ 94,354	\$ (1,095,920)	\$ (3,572,675)	\$ (1,938,639)	\$ (241,551)	\$ 405,332	\$ 243,277	\$ (474,740)	\$ (417,928)
Other financing sources (uses)										
Proceeds from new bond issue	-	-	6,685,000	-	-	-	-	-	-	-
Premium on bond issue	-	-	116,560	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-	-	-	(2,125)
Total other financing sources (uses)	-	-	6,801,560	-	-	-	-	-	-	(2,125)
Net change in fund balances	\$ 258,690	\$ 94,354	\$ 5,705,640	\$ (3,572,675)	\$ (1,938,639)	\$ (241,551)	\$ 405,332	\$ 243,277	\$ (474,740)	\$ (420,053)
Debt service as a percentage of non-capital expenditures	4.61%	4.48%	4.41%	4.67%	4.10%	4.00%	3.99%	3.92%	3.57%	3.37%

Source: District Records

Note: 1) Non-capital expenditures are total expenditures less capital outlay.
2) During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
General Fund - Other Local Revenues by Source
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Interest income	\$ 3,656	\$ 3,140	\$ 11,596	\$ 7,945	\$ 8,726	\$ 20,815	\$ 41,943	\$ 24,835	\$ 2,368	\$ 486
Tuition	44,194	50,786	44,247	51,834	50,362	52,061	64,601	59,123	65,149	58,249
Payroll balances transferred	-	-	228	-	-	-	-	-	-	-
Miscellaneous refunds	-	3,425	50	197	4,200	-	-	-	-	-
Accounts payable cancelled	-	-	-	2,691	-	18	-	-	-	-
Prior year refunds	9,823	-	9,002	12,385	721	19,915	-	-	-	4,176
Rentals	-	500	269	-	-	-	-	-	-	-
Miscellaneous other	3	103	-	262	47	1,229	10	3,904	6,041	5,691
Vendor rebates	-	-	-	-	-	-	-	-	-	-
Donations	9,544	-	1,250	-	3,400	6,125	-	-	34,442	-
Outstanding checks voided	-	-	4,342	-	-	3,055	-	-	-	-
Annual totals	\$ 67,220	\$ 57,954	\$ 70,984	\$ 75,314	\$ 67,456	\$ 103,218	\$ 106,554	\$ 87,862	\$ 108,000	\$ 68,602

Source: District Records

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Vacant land	\$ 11,751,900	\$ 10,220,500	\$ 10,653,600	\$ 9,501,000	\$ 16,515,150	\$ 13,782,200	\$ 15,066,700	\$ 14,091,700	\$ 13,159,600	\$ 13,732,900
Residential	424,374,700	404,138,600	404,308,500	408,991,800	409,053,900	410,640,200	413,661,400	418,485,800	427,702,900	441,785,600
Farm regular	54,693,000	54,345,900	54,221,800	52,751,300	52,604,700	51,939,900	49,904,500	52,498,400	50,547,600	50,920,100
Q farm	2,782,050	3,544,000	3,476,790	4,246,265	3,342,165	3,345,415	3,214,625	3,103,225	2,892,200	3,157,800
Commercial	90,238,000	108,831,100	108,509,200	116,176,000	115,894,250	115,863,850	114,656,750	113,307,150	113,333,150	113,356,250
Industrial	16,099,500	17,129,400	17,493,500	17,323,500	17,323,500	17,323,500	17,323,500	17,323,500	17,323,500	17,323,500
Apartment	40,656,000	66,001,000	66,001,000	66,001,000	60,062,400	60,062,400	59,623,400	59,623,400	59,623,400	59,623,400
Total assessed value	640,595,150	664,210,500	664,664,390	674,990,865	674,796,065	672,957,465	673,450,875	678,433,175	684,582,350	699,899,550
Public utilities (a)	1,315,776	1,017,159	954,436	862,441	804,295	291,360	-	-	-	-
Net valuation taxable	\$ 641,910,926	\$ 665,227,659	\$ 665,618,826	\$ 675,853,306	\$ 675,600,360	\$ 673,248,825	\$ 673,450,875	\$ 678,433,175	\$ 684,582,350	\$ 699,899,550
Estimated actual county equalized value	\$ 724,259,197	\$ 683,265,878	\$ 691,839,545	\$ 713,904,411	\$ 717,654,940	\$ 741,209,165	\$ 745,710,193	\$ 755,157,140	\$ 760,478,060	\$ 810,444,129
Percentage of net valuation to estimated actual equalized value	88.63%	97.36%	96.21%	94.67%	94.14%	90.83%	90.31%	89.84%	90.02%	86.36%
Total direct school tax rate (b)	\$ 0.821	\$ 0.790	\$ 0.837	\$ 0.829	\$ 0.846	\$ 0.865	\$ 0.882	\$ 0.892	\$ 0.916	\$ 0.912

Source: 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 the County Board of Taxation requests Treasury to order a reassessment.

- (a) Taxable value of machinery, implements and equipment of telephone and messenger system companies.
- (b) Tax rates are per \$100.

* Revalued/Reassessed

See independent auditors' report.

**MANSFIELD TOWNSHIP SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Rate Per \$100 of Assessed Value)**

Assessment Year	School District Direct Rate				Regional School Rate	Overlapping Rates		Total Direct & Overlapping Tax Rate
	Basic Rate (a)	General Obligation Debt Service (b)	(From J-6) Total Direct School Tax Rate	Municipality		County		
2013	\$ 0.768	\$ 0.053	\$ 0.821	\$ 0.917	\$ 0.591	\$ 0.807	\$ 3.136	
2014	* 0.739	0.051	0.790	0.870	0.610	0.780	3.050	
2015	0.782	0.055	0.837	0.896	0.607	0.811	3.151	
2016	0.784	0.045	0.829	0.959	0.621	0.810	3.219	
2017	0.805	0.041	0.846	1.011	0.624	0.813	3.294	
2018	0.824	0.041	0.865	1.076	0.632	0.792	3.365	
2019	0.840	0.042	0.882	1.112	0.635	0.795	3.424	
2020	0.850	0.042	0.892	1.163	0.641	0.782	3.478	
2021	0.874	0.042	0.916	1.181	0.637	0.779	3.513	
2022	0.871	0.041	0.912	1.102	0.699	0.776	3.489	

Sources: Municipal Tax Collector

Note: N.J.S.A. 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 by more than the spending growth limitation calculated as follows: the pre-budget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

(a) The District's basic tax rate is calculated from the A4F Form which is submitted with the budget and the net valuation taxable.

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

* Revalued/Reassessed

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Principal Property Taxpayers
Current Year and Nine Years Ago

	2022			2013		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Mansfield Village	\$ 37,000,000	1	5.29%	\$ -		-
Green Eagle Property Res. L.P.	33,190,600	2	4.74%	22,000,000	2	3.43%
Mansfield Plaza LLC	26,043,100	3	3.72%	45,104,800	1	7.03%
Middlebury Associates	18,400,000	4	2.63%	14,000,000	4	2.18%
Mansfield Plaza Associates LLC	14,533,000	5	2.08%	14,149,800	3	2.20%
NYK Services Center	5,891,300	6	0.84%	3,611,800	6	0.56%
Borealis Compounds LLC	5,751,400	7	0.82%	6,560,900	5	1.02%
WH Realty I LLC	4,405,000	8	0.63%	-		-
The Shoppes at Mansfield LLC	3,719,300	9	0.53%	2,653,900	9	0.41%
Walgreen Co Real Estate	3,486,500	10	0.50%	-		-
Sarva Mangal LLC	-		-	3,077,900	7	0.48%
Eden Mansfield LLC	-		-	2,667,600	8	0.42%
Mansfield Commons II LLC	-		-	2,400,000	10	0.37%
	<u>\$ 152,420,200</u>		<u>21.78%</u>	<u>\$ 116,226,700</u>		<u>18.10%</u>

Source: Municipal Tax Assessor

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Property Tax Levies and Collections
Last Ten Years

Fiscal Year Ending June 30,	Taxes Levied for the Year	Collected within the Year of the Levy (a)	
		Amount	Percentage of Levy
2013	\$ 5,204,960	\$ 5,204,960	100.00%
2014	5,269,930	5,269,930	100.00%
2015	5,270,238	5,270,238	100.00%
2016	5,570,870	5,570,870	100.00%
2017	5,605,061	5,605,061	100.00%
2018	5,714,474	5,714,474	100.00%
2019	5,825,670	5,825,670	100.00%
2020	5,938,692	5,938,692	100.00%
2021	6,053,775	6,053,775	100.00%
2022	6,264,110	6,264,110	100.00%

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

- (a) 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, in the amount voted upon or certified prior to the end of the school year.

See independent auditor's report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ending June 30,	Governmental Activities				Business-Type Activities Leases	Total District	% of Personal Income (a)	Per Capita (a)
	General Obligation Bonds	Certificates of Participation	Leases	Bond Anticipation Notes (BANs)				
2013	\$ 815,000	\$ -	\$ -	\$ -	\$ -	\$ 815,000	0.23%	\$ 108
2014	415,000	-	-	-	-	415,000	0.12%	55
2015	6,685,000	-	-	-	-	6,685,000	1.82%	890
2016	6,485,000	-	-	-	-	6,485,000	1.71%	867
2017	6,240,000	-	-	-	-	6,240,000	1.63%	840
2018	5,985,000	-	-	-	-	5,985,000	1.52%	810
2019	5,720,000	-	-	-	-	5,720,000	1.41%	775
2020	5,445,000	-	-	-	-	5,445,000	1.30%	739
2021	5,160,000	-	-	-	-	5,160,000	1.15%	699
2022	4,860,000	-	-	-	-	4,860,000	N/A	622

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

(a) See Exhibit J-14 for personal income and population data.
 These ratios are calculated using personal income and population for the prior calendar year.

N/A Information is not available

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ending June 30,	General Bonded Debt Outstanding			% of Actual Taxable Value of Property (a)	Per Capita (b)
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2013	\$ 815,000	\$ -	\$ 815,000	0.13%	\$ 108
2014	415,000	-	415,000	0.06%	55
2015	6,685,000	-	6,685,000	1.00%	890
2016	6,485,000	-	6,485,000	0.96%	867
2017	6,240,000	-	6,240,000	0.92%	840
2018	5,985,000	-	5,985,000	0.89%	810
2019	5,720,000	-	5,720,000	0.85%	775
2020	5,445,000	-	5,445,000	0.80%	739
2021	5,160,000	-	5,160,000	0.75%	699
2022	4,860,000	-	4,860,000	0.69%	622

Notes: 1) Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.

- (a) See Exhibit J-6 for property tax data.
- (b) Population data can be found in Exhibit J-14.

N/A Information is not available

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of December 31, 2021

	<u>Debt Outstanding</u>	<u>Estimated % Applicable (a)</u>	<u>Estimated Share of Debt</u>
Governmental Unit			
Debt repaid with property taxes			
Municipality	\$ 1,023,071	100.00%	\$ 1,023,071
Regional High School	10,974,000	31.97%	3,507,915
County general obligation debt	1,305,000	6.69%	<u>87,320</u>
Subtotal, overlapping debt			4,618,306
School district direct debt			<u>4,860,000</u>
Total direct and overlapping debt			<u><u>\$ 9,478,306</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the county Board of Taxation. Debt outstanding data provided by each Governmental Unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the municipality. 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.

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Legal Debt Margin Information
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2022

	Equalized Valuation Basis
	2021 \$ 792,707,677
	2020 753,647,162
	2019 749,611,392
	\$ 2,295,966,231
Average equalized valuation of taxable property	\$ 765,322,077
Debt limit (2.5% of average equalization value)	\$ 19,133,052
Total net debt applicable to limit	4,860,000
Legal debt margin	\$ 14,273,052

	Fiscal Year				
	2018	2019	2020	2021	2022
Debt limit	\$ 17,897,143	\$ 18,256,129	\$ 18,527,828	\$ 18,736,853	\$ 19,133,052
Total net debt applicable	5,985,350	5,720,000	5,445,000	5,160,000	4,860,000
Legal debt margin	\$ 11,911,793	\$ 12,536,129	\$ 13,082,828	\$ 13,576,853	\$ 14,273,052
Total net debt applicable to the limit as a percentage of debt limit	33.44%	31.33%	29.39%	27.54%	25.40%

	Fiscal Year				
	2013	2014	2015	2016	2017
Debt limit	\$ 19,416,446	\$ 18,077,816	\$ 17,460,866	\$ 17,223,100	\$ 17,578,907
Total net debt applicable	815,000	7,100,350	6,685,350	6,485,350	6,240,350
Legal debt margin	\$ 18,601,446	\$ 10,977,466	\$ 10,775,516	\$ 10,737,750	\$ 11,338,557
Total net debt applicable to the limit as a percentage of debt limit	4.20%	39.28%	38.29%	37.65%	35.50%

Source: Equalized valuation bases were obtained from the annual report of the State of New Jersey Department of Treasury, Division of Taxation.

(a) Limit set by N.J.S.A. 18A:24-19.

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population (a)	Personal Income (b)	Per Capita Personal Income (c)	Unemployment Rate (d)
2013	7,581	\$ 355,101,621	\$ 46,841	6.9%
2014	7,517	354,975,291	47,223	5.4%
2015	7,508	367,043,596	48,887	4.8%
2016	7,481	379,593,421	50,741	4.1%
2017	7,431	382,718,793	51,503	3.5%
2018	7,386	392,558,514	53,149	3.3%
2019	7,379	405,645,767	54,973	2.7%
2020	7,372	419,879,632	56,956	7.7%
2021	7,384	446,916,600	60,525	4.3%
2022	7,811	N/A	N/A	N/A

Sources:

- (a) Population information provided by the NJ Dept. of Labor and Workforce Development.
- (b) Personal income has been estimated based upon the municipal population and per capita personal income presented.
- (c) Per capita personal income by County estimated based upon the 2010 census published by the U.S. Bureau of Economic Analysis.
- (d) Unemployment data provided by the NJ Dept. of Labor and Workforce Development.

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Principal Employers
Current Year and Nine Years Ago

2022

<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>
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INFORMATION IS NOT AVAILABLE FOR THIS SCHOOL DISTRICT

2013

<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>
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INFORMATION IS NOT AVAILABLE FOR THIS SCHOOL DISTRICT

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Full Time Equivalent District Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Instruction										
Regular	42.1	44.2	44.2	44.2	44.2	45.2	46.2	48.2	40.0	40.0
Special education	12.0	12.0	12.0	15.0	15.0	16.0	16.0	16.0	15.0	19.0
Other special education	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	14.0	17.0
Other instruction	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Support services										
Student and instruction related services	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5
General administration	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
School administration services	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	5.0	5.0
Central services	1.5	1.5	1.5	1.5	1.5	1.5	1.5	2.5	2.0	2.0
Administrative information technology	0.5	0.5	0.5	0.5	0.5	0.5	-	-	1.0	1.0
Plant operations and maintenance	5.0	5.0	5.0	5.0	5.0	5.0	5.0	4.0	5.0	5.0
Childcare	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	2.0	2.0
Total	85.9	88.0	88.0	91.0	91.0	93.0	93.5	95.5	96.5	103.5

Source: District Personnel Records

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Operating Statistics
Last Ten Fiscal Years

Fiscal Year	June 30 Enrollment	Operating Expenditures (a)	Cost Per Pupil	Percentage Change	Teaching Staff (b)	Teacher Ratio	Average Daily Enrollment (ADE) (c)	Average Daily Attendance (ADA) (c)	% Change in Average Daily Enrollment	Student Attendance Percentage
2013	705	\$ 9,222,550	\$ 13,082	5.05%	57	1 to 12.33	703.9	670.5	-1.94%	95.26%
2014	705	9,664,102	13,708	4.79%	57	1 to 12.37	708.1	676.0	0.60%	95.47%
2015	703	9,821,228	13,970	1.91%	57	1 to 12.33	705.6	672.9	-0.35%	95.37%
2016	680	10,422,043	15,327	9.71%	57	1 to 11.93	682.6	652.9	-3.26%	95.65%
2017	646	10,650,780	16,487	7.57%	57	1 to 11.33	643.4	613.5	-5.74%	95.35%
2018	631	11,025,409	17,473	5.98%	57	1 to 11.07	633.2	603.4	-1.58%	95.29%
2019	629	11,160,677	17,744	1.55%	58	1 to 10.84	624.0	594.1	-1.45%	95.21%
2020	590	11,446,423	19,401	9.34%	60	1 to 9.83	589.4	570.3	-5.55%	96.76%
2021	532	12,655,617	23,789	22.62%	65	1 to 8.25	530.9	527.8	-9.92%	99.41%
2022	557	13,628,576	24,468	2.85%	68	1 to 8.19	560.1	519.8	5.49%	92.80%

Source: District Records

- (a) Operating expenditures equal total expenditures less debt service and capital outlay.
- (b) Teaching staff includes only full-time equivalents or certificated staff.
- (c) Average Daily Enrollment and Average Daily Attendance are obtained from the School Register Summary.

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years

District Building	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Mansfield Township School (1964)										
Square feet	92,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000
Capacity (students)	835	835	835	835	835	835	835	835	835	835
Enrollment	706	708	696	660	644	628	609	590	532	547
Number of schools at June 30, 2022										
Elementary = 1										

Source: District Facilities Office

Note: Year of original construction is shown in parentheses. Increase in square footage and capacity are the result of renovations and additions. Enrollment is based on the annual October District count.

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Schedule of Required Maintenance Expenditures by School Facility
Last Ten Fiscal Years

Undistributed Expenditures - Required Maintenance for School Facilities

<u>Fiscal Year Ending</u>	<u>Mansfield Township Elementary School</u>
2013	\$ 34,417
2014	50,002
2015	67,363
2016	47,496
2017	152,474
2018	326,013
2019	80,389
2020	32,739
2021	34,769
2022	26,785
Total school facilities	<u>\$ 852,447</u>

Source: District Records

Note: School Facilities as Defined Under EFCFA.
(N.J.A.C. 6A:26-1.2 and N.J.A.C. 6A:26A-1.3)

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Insurance Schedule
June 30, 2022
(Unaudited)

	<u>Coverage</u>	<u>Deductible</u>
Commercial Package Policy - NJ Schools Insurance Group (NJSIG)		
Real & Personal Property (per occurrence)	\$ 500,000,000	\$ 5,000
Blanket Extra Expense	50,000,000	5,000
Blanket Valuable Paper & Records	10,000,000	5,000
Demolition & Increased Cost of Construction	25,000,000	-
Limited Builders Risk	10,000,000	-
Fire Dept. Service Charge	10,000	-
Arson Reward	10,000	-
Pollution Cleanup & Removal	250,000	-
Flood/Earthquake - NJSIG		
Flood Zone A & V	25,000,000	500,000
All Other Flood Zones	75,000,000	10,000
Earthquake	50,000,000	1,000
Terrorism	1,000,000	-
Electronic Data Processing - NJSIG		
Blanket Hardware/Software, Extra Expense, Removal	Included	1,000
Business Income, Transit, Debris		500,000
Flood (Deductible for Zone A & Z) (Deductible All Other Flood Zones)		10,000
Equipment Breakdown - NJSIG		
Combined Single Limit/Accident for Property Damage & Business Income	100,000,000	5,000
Property Damage	Included	5,000
Off Premises Property Damage	1,000,000	5,000
Extra Expense	10,000,000	5,000
Service Interruption	10,000,000	5,000
Perishable Goods	1,000,000	5,000
Data Restoration	1,000,000	5,000
Demolition	1,000,000	5,000
Ordinance or Law	1,000,000	5,000
Expediting Expense	1,000,000	5,000
Hazardous Substances	1,000,000	5,000
Newly Acquired Locations - 120 Days' Notice	1,000,000	5,000
Crime Coverage - NJSIG		
Public Employee Dishonesty	50,000	500
Theft, Disapp. & Destruction/Money Orders & Counterfeit Curren	50,000	500
Forgery or Alteration	50,000	500
Computer Fraud	50,000	500

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Insurance Schedule (continued)
June 30, 2022
(Unaudited)

	Coverage	Deductible
Public Officials Bond - NJSIG		
Treasurer - A. Coppola (Selective)	\$ 195,000	\$ -
General Liability - NJSIG		
Bodily Injury & Property Damage	11,000,000	-
Products & Completed Operations	11,000,000	-
Sexual Abuse	11,000,000	-
Personal Injury & Advertising Injury	11,000,000	-
Employee Benefits Liability	11,000,000	1,000
Premises Medical Payments		
Per Accident	10,000	-
Per Person	5,000	-
Terrorism	1,000,000	-
Automotive Coverage - NJSIG		
Combined Single Limit for Bodily Injury & Property Damage	11,000,000	-
Garage keepers	Included	-
School Leaders Errors & Omissions - NJSIG		
Coverage A - protection against loss/wrongful acts	11,000,000	5,000
Coverage B - defense costs for specific administrative actions		
Per Claim	100,000	5,000
Aggregate	300,000	5,000
Retro Date	7/1/1986	
Workers' Compensation - NJSIG		
Part One	Statutory	-
Part Two		
Bodily Injury by Accident	2,000,000	-
Bodily Injury by Disease	2,000,000	-

Source: District Records

See independent auditors' report.

SINGLE AUDIT SECTION

**OTHER REPORTING REQUIRED BY
GOVERNMENT AUDITING STANDARDS - PART I**



Certified Public Accountants, PC
www.bkc-cpa.com

**Independent Auditors' Report on Internal Control Over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards***

Honorable President and
Members of the Board of Education
Mansfield Township School District
Port Murray, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, and the aggregate remaining fund information of the Mansfield Township School District (the District) in the County of Warren, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated March 1, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Mansfield Township School District's internal control over financial reporting (internal control) to determine the 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



BKC, CPAs, PC



Michael A. Holk, CPA, PSA
NO. 20CS00265600

March 1, 2023
Flemington, New Jersey



Certified Public Accountants, PC
www.bkc-cpa.com

**Independent Auditors' Report on Compliance for Each Major Program
and on Internal Control Over Compliance Required by the Uniform Guidance
and the New Jersey OMB Circular 15-08**

Honorable President and
Members of the Board of Education
Mansfield Township School District
Port Murray, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Mansfield Township School District's (the District) compliance with the types of compliance requirements as subject to audit in the OMB Compliance Supplement and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the District's major federal and state programs for the year ended June 30, 2022. The District's major federal and state programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal and State Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and the New Jersey OMB's Circulars 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, and New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, we:

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

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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


BKC, CPAs, PC


Michael A. Holk, CPA,
PSA NO. 20CS00265600

March 1, 2023
Flemington, New Jersey

SUPPLEMENTARY INFORMATION

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards, Schedule A
For the Fiscal Year Ended June 30, 2022

Grantor/Program Title	Federal CFDA Number	FAIN Number	Project Number	Program or Award Amount	Grant Period		Balance June 30, 2021		Cash Received	Budgetary Expenditure	Adjustment	Repayment of Prior Year Balance	Balance June 30, 2022				
					From	To	(Acct Rec) Def Revenue	Carryover Amount					Accounts Receivable	Deferred Revenue	Due to Grantor		
U.S. Department of Health and Human Services																	
General Fund																	
Medical Assistance Program	93.778	2105NJ5MAP	N/A	\$ 19,784	07/01/21	06/30/22	\$ -	\$ -	\$ 17,132	\$ 19,784	\$ -	\$ -	\$ (2,652)	\$ -	\$ -		
Total General Fund							-	-	17,132	19,784	-	-	(2,652)	-	-		
U.S. Department of Education passed through State Department of Education																	
Special Revenue Fund																	
Special education cluster (IDEA)																	
IDEA Basic	84.027	H027A210100	IDEA-2970-22	159,156	07/01/21	06/30/22	-	-	142,107	159,156	-	-	(17,049)	-	-		
IDEA Preschool	84.173	H173A210114	IDEA-2970-22	7,215	07/01/21	06/30/22	-	-	7,215	7,215	-	-	-	-	-		
Total special education cluster (IDEA)							-	-	149,322	166,371	-	-	(17,049)	-	-		
ESSA Title I A	84.010A	S010A210030	ESSA-2970-22	72,586	07/01/21	06/30/22	-	-	72,586	72,586	-	-	-	-	-		
ESSA Title I Reallocation	84.010A	S010A190030	ESSA-2970-21	17,916	07/01/20	06/30/21	-	-	17,916	17,916	-	-	-	-	-		
ESSA Title II A	84.367A	S367A210029	ESSA-2970-22	12,977	07/01/21	06/30/22	-	-	12,977	12,977	-	-	-	-	-		
ESSA Title III	84.365A	S365A190030	ESSA-2970-22	26,769	07/01/21	06/30/22	-	-	26,769	26,769	-	-	-	-	-		
ESSA Title IV	84.424A	S424A210031	ESSA-2970-22	10,000	07/01/21	06/30/22	-	-	10,000	10,000	-	-	-	-	-		
COVID-19																	
CRRSA - ESSER II	84.425D	S425D210027	CRRSA-2970-23	270,756	03/13/20	09/30/23	-	-	270,706	270,756	-	-	(50)	-	-		
CRRSA - Learning Acceleration	84.425D	S425D210027	CRRSA-2970-23	25,000	03/13/20	09/30/23	-	-	25,000	25,000	-	-	-	-	-		
CRRSA - Mental Health	84.425D	S425D210027	CRRSA-2970-23	45,000	03/13/20	09/30/23	-	-	45,000	45,000	-	-	-	-	-		
ARP IDEA Basic	84.027X	H027X210100	ARP-2970-22	26,143	07/01/21	09/30/22	-	-	19,640	26,143	-	-	(6,503)	-	-		
ARP IDEA Preschool	84.173X	H173X210114	ARP-2970-22	2,223	07/01/21	09/30/22	-	-	2,223	2,223	-	-	-	-	-		
FEMA	97.036	N/A	FEMA-2970-21	94,597	07/01/20	06/30/21	(94,597)	-	69,278	-	742	-	(24,577)	-	-		
FEMA	97.036	N/A	FEMA-2970-22	85,103	07/01/21	06/30/22	-	-	-	85,103	-	-	(85,103)	-	-		
Total Special Revenue Fund							(94,597)	-	721,417	760,844	742	-	(133,282)	-	-		
U.S. Department of Agriculture passed through State Department of Agriculture																	
Enterprise Fund																	
Food Service Fund																	
Child Nutrition Cluster																	
National School Lunch Program																	
Non-Cash Assistance (Commodities)	10.555	211NJ304N1099	N/A	12,559	10/01/20	09/30/21	3,198	-	-	3,198	-	-	-	-	-		
Non-Cash Assistance (Commodities)	10.555	221NJ304N1099	N/A	15,887	10/01/21	09/30/22	-	-	15,887	13,974	-	-	-	1,913	-		
Cash Assistance	10.555	211NJ304N1099	N/A	116,959	10/01/20	09/30/21	(27,656)	-	27,656	-	-	-	-	-	-		
Cash Assistance	10.555	221NJ304N1099	N/A	282,739	10/01/21	09/30/22	-	-	263,957	282,739	-	-	(18,782)	-	-		
National School Breakfast Program																	
Cash Assistance	10.553	211NJ304N1099	N/A	29,814	10/01/20	09/30/21	(3,521)	-	3,521	-	-	-	-	-	-		
Cash Assistance	10.553	221NJ304N1099	N/A	80,630	10/01/21	09/30/22	-	-	73,797	80,630	-	-	(6,833)	-	-		
Total Child Nutrition Cluster							(27,979)	-	384,818	380,541	-	-	(25,615)	1,913	-		
P-EBT Administrative	10.649	202225900941	N/A	1,242	07/01/21	06/30/22	-	-	1,242	1,242	-	-	-	-	-		
Emergency Operational Cost Program	10.555	202121H170341	N/A	19,767	07/01/21	06/30/22	-	-	19,767	19,767	-	-	-	-	-		
Total Food Service Fund							(27,979)	-	405,827	401,550	-	-	(25,615)	1,913	-		

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards, Schedule A
For the Fiscal Year Ended June 30, 2022

Grantor/Program Title	Federal CFDA Number	FAIN Number	Project Number	Program or Award Amount	Grant Period		Balance June 30, 2021		Cash Received	Budgetary Expenditure	Adjust- ment	Repayment of Prior Year Balance	Balance June 30, 2022														
					From	To	(Acct Rec) Def Revenue	Carryover Amount					Accounts Receivable	Deferred Revenue	Due to Grantor												
U.S. Department of Health and Human Services passed through N.J. Department of Human Services																											
Enterprise Funds																											
Before and After School Child Care Fund																											
COVID-19 NJ ARP Stabilization Grant	93.575	N/A	FR-002724	\$ 120,000	09/01/21	08/31/23	\$ -	\$ -	\$ 80,000	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -										
COVID-19 Child Care Phase II Hiring and Retention Bonus Grant	93.575	N/A	FR-002724	18,000	7/1/2021	06/30/22	-	-	18,000	18,000	-	-	-	-	-	-	-										
Total Before and After Child Care Fund							-	-	98,000	98,000	-	-	-	-	-	-	-										
Total Federal Awards							\$ (122,576)	\$ -	\$ 1,242,376	\$ 1,280,178	\$ 742	\$ -	\$ (161,549)	\$ 1,913	\$ -	\$ -	\$ -										

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance, Schedule B
For the Fiscal Year Ended June 30, 2022

Grantor/Program Title	Project Number	Program or Award Amount	Grant Period		Balance June 30, 2021		Cash Received	Budgetary Expenditure	Adjustments	Balance June 30, 2022			Memo	
			From	To	Deferred Rev. (Accts. Rec)	Due to Grantor				Accounts Receivable	Deferred Revenue	Due to Grantor	Budgetary Receivable	Cumulative Expenditure
State Department of Education														
General Fund														
Equalization Aid	22-495-034-5120-078	\$ 3,008,166	07/01/21	06/30/22	\$ -	\$ -	\$ 2,707,582	\$ 3,008,166	\$ -	\$ -	\$ -	\$ -	\$ 300,584	\$ 3,008,166
Special Education Categorical Aid	22-495-034-5120-089	429,127	07/01/21	06/30/22	-	-	386,247	429,127	-	-	-	-	42,880	429,127
Transportation Aid	22-495-034-5120-014	273,159	07/01/21	06/30/22	-	-	245,864	273,159	-	-	-	-	27,295	273,159
Security Aid	22-495-034-5120-084	85,007	07/01/21	06/30/22	-	-	76,513	85,007	-	-	-	-	8,494	85,007
Extraordinary Aid	22-495-034-5120-044	22,686	07/01/21	06/30/22	-	-	-	22,686	-	(22,686)	-	-	-	22,686
Extraordinary Aid	21-495-034-5120-044	30,407	07/01/20	06/30/21	(30,407)	-	30,407	-	-	-	-	-	-	30,407
Non-Public Transportation Aid	22-495-034-5120-014	1,160	07/01/21	06/30/22	-	-	-	1,160	-	(1,160)	-	-	-	1,160
Non-Public Transportation Aid	21-495-034-5120-014	290	07/01/20	06/30/21	(290)	-	290	-	-	-	-	-	-	290
Securing our Children's Future Bond Act	22-100-082-2000-A92	31,416	07/01/20	06/30/22	-	-	31,416	31,416	-	-	-	-	-	31,416
Payment for Institutionalized Children-Unknown District of Residence	21-495-034-5120-005	27,108	07/01/20	06/30/21	(27,108)	-	27,108	-	-	-	-	-	-	27,108
Payment for Institutionalized Children-Unknown District of Residence	22-495-034-5120-005	141,874	07/01/21	06/30/22	-	-	-	141,874	-	(141,874)	-	-	-	141,874
Reimbursed TPAF Social Security Contribution	22-495-034-5094-003	405,812	07/01/21	06/30/22	-	-	385,487	405,812	-	(20,325)	-	-	-	405,812
On-Behalf TPAF Pension Contribution-Postretirement Medical	22-495-034-5094-001	441,489	07/01/21	06/30/22	-	-	441,489	441,489	-	-	-	-	-	441,489
On-Behalf TPAF Pension Contribution-Normal Cost and Accrued Liability	22-495-034-5094-002	1,863,318	07/01/21	06/30/22	-	-	1,863,318	1,863,318	-	-	-	-	-	1,863,318
On-Behalf TPAF Pension Contribution-Non-Contributory Insurance	22-495-034-5094-004	26,289	07/01/21	06/30/22	-	-	26,289	26,289	-	-	-	-	-	26,289
On-Behalf TPAF Pension Contribution-Long-Term Disability Insurance	22-495-034-5094-004	712	07/01/21	06/30/22	-	-	712	712	-	-	-	-	-	712
Total General Fund					(57,805)	-	6,222,722	6,730,215	-	(186,045)	-	-	379,253	6,788,020
Debt Service Fund														
Debt Service Aid-State Support	22-495-034-5120-017	171,170	07/01/21	06/30/22	-	-	171,170	171,170	-	-	-	-	-	171,170
Total Debt Service Fund					-	-	171,170	171,170	-	-	-	-	-	171,170
State Department of Agriculture														
Enterprise Funds														
Food Service Fund														
State School Lunch Program	21-100-010-3350-023	6,215	07/01/20	06/30/21	(1,134)	-	1,134	-	-	-	-	-	-	6,215
State School Lunch Program	22-100-010-3350-023	6,546	07/01/21	06/30/22	-	-	6,122	6,546	-	(424)	-	-	-	6,546
Total Food Service Fund					(1,134)	-	7,256	6,546	-	(424)	-	-	-	12,761

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance, Schedule B
For the Fiscal Year Ended June 30, 2022

Grantor/Program Title	Project Number	Program or Award Amount	Grant Period		Balance June 30, 2021			Budgetary Expenditure	Adjustments	Balance June 30, 2022			Memo	
			From	To	Deferred Rev. (Accts. Rec)	Due to Grantor	Cash Received			Accounts Receivable	Deferred Revenue	Due to Grantor	Budgetary Receivable	Cumulative Expenditure
Total State Financial Assistance					\$ (58,939)	\$ -	\$ 6,401,148	\$ 6,907,931	\$ -	\$ (186,469)	\$ -	\$ -	\$ 379,253	\$ 6,971,951
Less: On-Behalf TPAF Pension System Contributions														
On-Behalf TPAF Pension Contribution - Teachers' Pension & Annuity Fund	22-495-034-5094-002							1,863,318						
On-Behalf TPAF Pension Contribution - Non-Contributory Insurance	22-495-034-5094-004							26,289						
On-Behalf TPAF Pension Contribution - Postretirement Medical	22-495-034-5094-001							441,489						
On-Behalf TPAF Pension Contribution - Long-Term Disability Insurance	22-495-034-5094-004							712						
Total for State Financial Assistance - Major Program Determination								<u>\$ 4,576,123</u>						

See independent auditors' report.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2022

Note 1 - General

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance present the activity of all federal awards and state financial assistance programs of the Mansfield Township School District. The District is defined in Note 1 (A) to the District's basic financial statements. All federal awards and state financial assistance 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 Federal Awards and State Financial Assistance are presented using 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 Notes 1 (C) and 1 (D) to the District's basic financial statements.

Note 3 - Relationship of financial statements

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules 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 budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(1,206) for the general fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2022

Note 3 - Relationship of financial statements (continued)

Financial assistance revenues are reported in the District’s basic financial statements on a GAAP basis as follows:

	Federal	State	Total
General fund	\$ 19,784	\$ 6,729,009	\$ 6,748,793
Special revenue fund	760,844	-	760,844
Debt service fund	-	171,170	171,170
Food service fund	401,550	6,546	408,096
Total awards and financial assistance	<u>\$ 1,182,178</u>	<u>\$ 6,906,725</u>	<u>\$ 8,088,903</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 - Other

Revenues and expenditures reported under the USDA Commodities Program represent current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2022. TPAF Social Security Contribution represents the amount reimbursed by the State for the employer's share of Social Security Contributions for TPAF members for the fiscal year ended June 30, 2022.

Note 6 - Adjustments on the Schedule of Federal Awards

On Schedule A; the adjustment for the FEMA program for fiscal year 2021 for \$742 represents adjustments to eligible expenses incurred in fiscal year 2021.

Note 7 - Indirect costs

The District has elected not to utilize the 10% de minimis indirect cost rate.

**OTHER REPORTING REQUIRED BY
GOVERNMENT AUDITING STANDARDS - PART II**

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2022

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unmodified

Internal Control Over Financial Reporting:

1. Were material weakness(es) identified? Yes No
2. Were significant deficiencies identified? Yes None reported

Noncompliance material to basic financial statements noted?

Yes No

Federal Awards

Internal Control Over Major Programs:

1. Were material weakness(es) identified? Yes No
2. Were significant deficiencies identified? Yes None reported

What was the type of auditor's report issued on compliance for major programs?

Unmodified

Were 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)	FEIN Number(s)	Name of Federal Program or Cluster
		<i>Special Education Cluster:</i>
<i>84.027</i>	<i>H027A21010</i>	<i>IDEA Basic</i>
<i>84.173</i>	<i>H173A210114</i>	<i>IDEA Preschool</i>
<i>10.555 & 10.553</i>	<i>221NJ304N1099</i>	<i>Child Nutrition Cluster</i>

What was the dollar threshold used to distinguish between Type A and Type B programs?

\$750,000

Did the auditee qualify as a low-risk auditee?

Yes No

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2022

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

State Awards

What was the dollar threshold used to distinguish between Type A and Type B programs? \$750,000

Did the auditee qualify as a low-risk auditee? X Yes ___ No

Internal Control Over Major Programs:

- 1. Were material weakness(es) identified? ___ Yes X No
- 2. Were there significant deficiencies identified that are not considered to be material weaknesses? ___ Yes X None reported

What was the type of auditor's report issued on compliance for major programs? Unmodified

Were any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 15-08 as applicable? ___ Yes X No

Identification of Major Programs:

State Grant/Project Numbers	Name of State Program
<i>22-495-034-5120-089</i>	<i>State Aid Public Cluster:</i>
<i>22-495-034-5120-078</i>	<i>Special Education Categorical Aid</i>
<i>22-495-034-5120-084</i>	<i>Equalization Aid</i>
	<i>Security Aid</i>

**MANSFIELD TOWNSHIP SCHOOL DISTRICT
Schedule of Findings and Questioned Costs - Section II
For the Fiscal Year Ended June 30, 2021**

Section II - Financial Statement Findings

There were no findings or questioned costs for the fiscal year ended June 30, 2022.

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

There were no findings or questioned costs for the fiscal year ended June 30, 2022.

**MANSFIELD TOWNSHIP SCHOOL DISTRICT
Summary Schedule of Prior Year Audit Findings
and Questioned Costs as Prepared by Management
For the Fiscal Year Ended June 30, 2022**

Status of Prior Year Findings

There were no prior year findings or questioned costs.