

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

Jobstown, New Jersey
County of Burlington

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

ANNUAL COMPREHENSIVE FINANCIAL REPORT

OF THE

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

JOBSTOWN, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Prepared by

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT BUSINESS OFFICE

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INTRODUCTORY SECTION

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Springfield Township Elementary School

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CRAIG VAUGHN
Superintendent / Principal

March 27, 2023

Honorable President and Members
of the Board of Education
Springfield Township School District
County of Burlington
Springfield, New Jersey

Dear Board Members/Citizens:

The Annual Comprehensive Financial Report (ACFR) of the Springfield Township School District for the fiscal year ended June 30, 2022, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Springfield Township School 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, 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 cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

The Annual Comprehensive Financial Report is presented in four sections as follows:

Introductory Section:

Section contains a Letter of Transmittal, Roster of Officials, Consultants and Advisors, and an Organizational Chart.

Financial Section:

Section contains the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements, Required Supplementary Information (RSI) and Other Supplementary Information.

Statistical Section:

Section contains selected financial trends, revenue and debt capacity, demographic, economic and other operating information, generally presented on a multi-year basis.



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Single Audit Section:

The School 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 New Jersey OMB’s Circular 15-08 OMB, “*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*”. Information related to this Single Audit, including the independent auditor’s report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, are included in the Single Audit Section of this report.

REPORTING ENTITY AND ITS SERVICES

The Springfield Township School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standard Board (GASB) as established by NCGA Statement No. 3. All funds of the School District are included in this report. The School District has no component units.

The School District provides a full range of educational services appropriate to grade levels K through 6. These include regular instruction as well as special education for children with special needs. The School District’s enrollment, as of October 15th, for the current and past nine fiscal years are detailed below:

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2021-2022	248	7.36%
2020-2021	231	-0.43%
2019-2020	232	0.87%
2018-2019	230	4.55%
2017-2018	220	-7.95%
2016-2017	239	5.29%
2015-2016	227	-5.02%
2014-2015	239	-4.78%
2013-2014	251	-5.28%
2012-2013	265	-7.67%

ECONOMIC CONDITION AND OUTLOOK

For the 2021-2022 school year, the Springfield Township School District prioritized its budgetary resources toward maintaining superior educational programming, providing cutting-edge instructional technology, and ensuring students and staff have access to materials and ancillary resources that support high quality instruction. In the face of continued and significant decreases in State Funding, the district has been able to avoid cuts to instructional and enrichment programs, maintain appropriate staffing levels, and undertake important projects geared towards security enhancement and maintenance of our building and grounds. A continuous goal of the Board of Education is to reduce the burden of expenses created by material needs and routine school supplies; by taking a conservative approach to these needs and working with suppliers through competitive pricing, this goal was accomplished once again.

MAJOR INITIATIVES

Grant funding will offer our district opportunities to offset local monies for the 2023-2024 school year. Out-of-district tuition payments are funded through the IDEA grant, while the district is able to fully implement numerous remediation programs through the utilization of funds from NCLB Title 1. As our district is eligible for funding through the SRSA REAP grant, we are able to use funds otherwise not available to enhance professional development opportunities (for both faculty and administration) and secure materials for innovative programs such as our Creator Space and our school's agricultural initiatives. Finally, the district was awarded funds through the Elementary and Secondary School Emergency Relief (ESSER) grants, which were utilized in a number of ways directly related to ensuring the safe opening of the school for in-person learning and equitable access to instruction for all students.

INTERNAL ACCOUNTING CONTROLS

Management of the School 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 and misuse and to ensure that adequate accounting data are completed to allow for the preparation of financial statement in conformity with general accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be delivered; and (2) the valuation of costs and benefits require 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 evaluations by the district management.

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

BUDGETARY CONTROLS

In addition to internal accounting controls, the School District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or included as re-appropriations of fund balance in the subsequent year.

ACCOUNTING SYSTEM AND REPORTS

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

FINANCIAL POLICIES

The intent of the School Board is to ensure that the School District manages its budget and finance in a fiscally prudent and responsible way by establishing financial policies for the Budget, Fund Balance and the maintenance of adequate reserves. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the liability is incurred. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues except for certain grant revenues, are recognized when susceptible to accrual that is when they become measurable and available. Property taxes, interest and certain General Fund revenues are the significant revenue sources considered susceptible to accrual.

OTHER INFORMATION


INDEPENDENT AUDIT

State statutes require an annual audit by independent certified public accountants. The accounting firm of Holt McNally & Associates, was appointed by the Board of Education. In addition to meeting the requirements set forth in the State statutes, the audit was also designed to meet the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB’s Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor’s report on the basic financial statements and combining statements and related major fund supporting statements and schedules is included in the financial section of this report. The auditor’s reports related specifically to the single audit are included in the Single Audit section of this report.


ACKNOWLEDGEMENTS

We would like to express our appreciation to the members of the Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the School District and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have accomplished without the efficient and dedicated services of our business office staff.

Respectfully submitted,

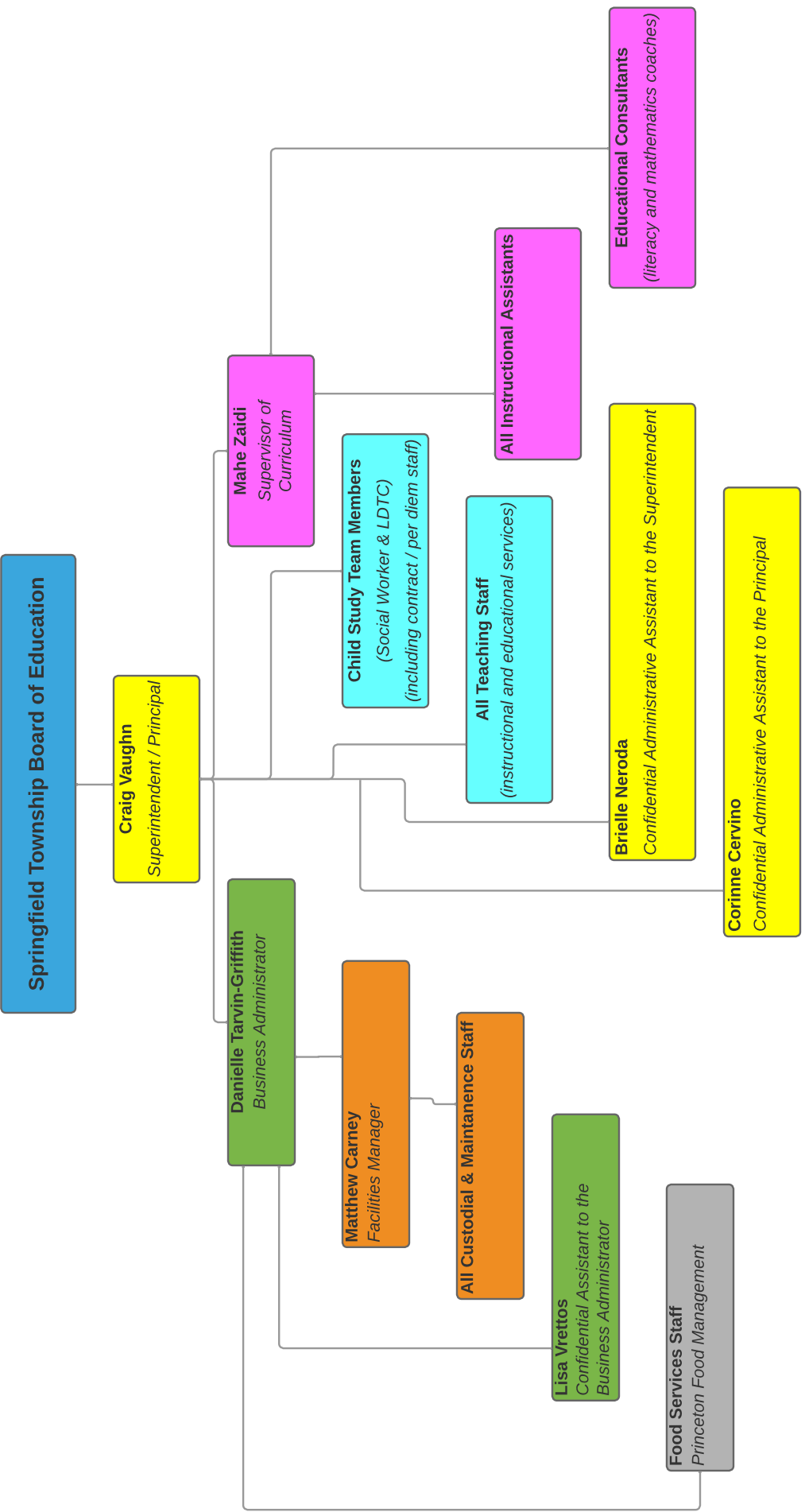


Craig Vaughn,
Superintendent



Danielle Tarvin-Griffith,
Business Administrator

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT ORGANIZATIONAL CHART



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SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

ROSTER OF OFFICIALS

JUNE 30, 2022

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Thomas Pantano, President	2024
Wade Hale, Vice President	2023
Joseph Bucs	2023
Jessica Donahue	2022
Ashleigh Murtaugh-Frey	2022
Francesca Rincon	2022
Rodney Roberson	2022
Mary Wainwright	2024
Gary Walker	2022

OTHER OFFICIALS

Craig Vaughn, Chief School Administrator

Danielle Tarvin-Griffith, Business Administrator/Board Secretary

Amy Lerner, Treasurer of School Monies

Kelly A. Grant, Esq., Solicitor

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**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
CONSULTANTS AND ADVISORS**

AUDIT FIRM

David McNally, CPA, RMA, PSA
Holt McNally & Associates, Inc.
618 Stokes Road
Medford, NJ 08055

ATTORNEY

Kelly A. Grant, Esq
Malamut & Associates, LLC
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Cherry Hill New Jersey 08002

OFFICIAL DEPOSITORY

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305 Bordentown-Chesterfield Road
Chesterfield, New Jersey 08515

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FINANCIAL SECTION

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HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Springfield Township School District
County of Burlington
Springfield, New Jersey

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Springfield Township School District, County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School District, and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

Prior Period Restatement

Due to a valuation of District capital assets in the current year, Net Position as of June 30, 2021 on the statement of activities and the statement of revenues, expenses and changes in fund net position has been restated, as discussed in Note 20 to the financial statements. Our opinion is not modified with respect to this matter.

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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 School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any current known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the schedules related to accounting and reporting for pensions and other post-employment benefits, as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The combining and individual fund statements and long-term debt schedules are presented for purposes of additional analysis, as required by the Office of School Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* are also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, long-term debt schedules and accompanying schedules of expenditures or federal award and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2023 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Respectfully submitted,

HOLT MCNALLY & ASSOCIATES, INC.

Certified Public Accountants & Advisors

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

Medford, New Jersey
March 27, 2023

REQUIRED SUPPLEMENTARY INFORMATION - PART I

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

As management of the Springfield Township School District, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements are comprised of three components:

- 1) Government-Wide financial statements, 2) Fund financial statements, and 3) Notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide the reader with a broad overview of the financial activities in a manner similar to a private-sector business. The government-wide financial statements include the statement of net position and the statement of net activities.

The *statement of net position* presents information about all of the School District's assets and liabilities. The difference between the assets plus deferred outflows or resources and liabilities plus deferred inflows of resources is reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The *statement of activities* presents information showing how the net position of the School District changed during the current fiscal year. Changes in net position are recorded in the statement of activities when the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenditures are reported in this statement even though the resulting cash flows may be recorded in a future period.

Both of the government-wide financial statements distinguish functions of the School District that are supported from taxes and intergovernmental revenues (*governmental activities*) and other functions that are intended to recover most of their costs from user fees and charges (*business-type activities*). Governmental activities consolidate governmental funds including the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund. Business-type activities reflect the Food Service Fund, Extended Day Fund and Summer Camp Fund.

Fund Financial Statements

Fund financial statements are designed to demonstrate compliance with financial-related requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific objectives. All of the funds of the School District are divided into three categories: *governmental funds*, *proprietary funds* and *fiduciary funds*.

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

Overview of the Basic Financial Statements (continued)

Fund Financial Statements (continued)

Governmental funds account for essentially the same information reported in the governmental activities of the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financial requirements in the near term.

Since the governmental funds and the governmental activities report information using the same functions, it is useful to compare the information presented. Because the focus of each report differs, a reconciliation is provided on the fund financial statements to assist the reader in comparing the near-term requirements with the long-term needs.

The School District maintains four individual governmental funds. The major funds are the General Fund, the Special Revenue Fund, the Capital Projects Fund, and the Debt Service Fund. They are presented separately in the fund financial statements.

The School District adopts an annual appropriated budget for the General Fund, Special Revenue Fund and the Debt Service Fund. A budgetary comparison statement has been provided for each of these funds to demonstrate compliance with budgetary requirements.

Proprietary funds are used to present the same functions as the business-type activities presented in the government-wide financial statements. The School District maintains one type of proprietary fund – the Enterprise Fund. The fund financial statements of the enterprise fund provides the same information as the government-wide financial statements, only in more detail.

The School District's two enterprise funds (Food Service Fund, Extended Day Fund and Summer Camp Fund) are listed individually and is considered to be a major funds.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the School District's programs. The School District does not currently maintain any Fiduciary Funds.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Financial Analysis of the School District as a Whole

Table 1 provides a summary of the School Districts net position for the fiscal years 2022 compared to fiscal year 2021.

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

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

Table 1
Summary of Net Position

	June 30, <u>2022</u>	June 30, <u>2021</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Current & Other Assets	\$ 2,424,720	\$ 1,963,429	\$ 461,291	23.5%
Capital Assets, Net	5,292,284	5,633,471	(341,187)	-6.1%
Total Assets	<u>7,717,004</u>	<u>7,596,900</u>	<u>120,104</u>	1.6%
Deferred Outflow of Resources	140,181	241,869	(101,688)	-42.0%
Current and other Liabilities	175,096	202,291	(27,195)	-13.4%
Noncurrent Liabilities	3,771,185	4,128,151	(356,966)	-8.6%
Total Liabilities	<u>3,946,281</u>	<u>4,330,442</u>	<u>(384,161)</u>	-8.9%
Deferred Inflow of Resources	696,910	853,004	(156,094)	-18.3%
Net Position:				
Net Investment in Capital Assets	1,960,098	2,124,691	(164,593)	-7.7%
Restricted	1,581,244	1,641,403	(60,159)	-3.7%
Unrestricted (Deficit)	(327,348)	(1,110,771)	783,423	-70.5%
Total Net Position	<u>\$ 3,213,994</u>	<u>\$ 2,655,323</u>	<u>\$ 558,671</u>	21.0%

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

Table 2
Summary of Changes in Net Position

	June 30, <u>2022</u>	June 30, <u>2021</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Revenues:				
Program Revenues:				
Charges for Services	\$ 61,006	\$ 4,961	\$ 56,045	1129.7%
Operating Grants & Contributions	1,091,528	1,698,414	(606,886)	-35.7%
General Revenues:				
Property Taxes	3,618,801	3,444,877	173,924	5.0%
Federal & State Aid Unrestricted	1,164,884	891,848	273,036	30.6%
Other General Revenues	69,517	76,414	(6,897)	-9.0%
Total Revenues	<u>6,005,736</u>	<u>6,116,514</u>	<u>(110,778)</u>	-1.8%
Function/Program Expenditures:				
Regular Instruction	1,311,169	1,277,777	33,392	2.6%
Special Education Instruction	487,746	399,537	88,209	22.1%
Other Instruction	1,570	2,485	(915)	-36.8%
Tuition	131,744	145,101	(13,357)	-9.2%
Student & Instruction Related Services	803,245	731,644	71,601	9.8%
General Administrative	187,952	181,504	6,448	3.6%
Central Services	88,322	102,462	(14,140)	-13.8%
Plant Operations & Maintenance	403,878	353,206	50,672	14.3%
Pupil Transportation	210,847	204,396	6,451	3.2%
Unallocated Benefits	1,161,047	1,976,035	(814,988)	-41.2%
Transfers to Charter Schools	-	8,873	(8,873)	-100.0%
Interest & Other Charges	118,426	123,369	(4,943)	-4.0%
Unallocated Depreciation	369,677	362,017	7,660	2.1%
Food Service	171,442	105,898	65,544	61.9%
Total Expenditures	<u>5,447,065</u>	<u>5,974,304</u>	<u>(527,239)</u>	-8.8%
Change In Net Position	558,671	142,210	416,461	292.8%
Net Position - Beginning	2,655,323	2,513,113	142,210	5.7%
Net Position - Ending	<u>\$ 3,213,994</u>	<u>\$ 2,655,323</u>	<u>\$ 558,671</u>	21.0%

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

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

Governmental Activities

During the fiscal year 2022, the net position of governmental activities increased by \$472,572 or 18.26%.

The assets and deferred outflows of the primary government activities exceeded liabilities and deferred inflows by \$3,060,796, with an unrestricted deficit balance of \$441,894. The deficit in unrestricted net position is primarily due to accounting treatment for compensated absences payable, GASB 68 net pension liability, and the last two state aid payments. In addition, state statutes prohibit school districts from maintaining more than 4% of its adopted budget as unassigned fund balance.

The School District's governmental activities unrestricted net position had GASB 68 pension not been implemented would have been as follows:

Table 3
GASB 68 Effect on Unrestricted Net Position

Unrestricted Net Position (With GASB 68)	\$	(441,894)
Add back: PERS Pension Liability		352,143
Less: Deferred Outflows related to pensions		(140,181)
Add back: Deferred Inflows related to pensions		696,910
Add back: Due to Other Governments		<u>32,146</u>
Unrestricted Net Position (Without GASB 68)	<u>\$</u>	<u>499,124</u>

Business-type Activities

During the fiscal year 2022, the net position of business-type activities increased by \$86,099 or 128.32%.

The assets and deferred outflows of the business-type activities exceeded liabilities and deferred inflows by \$153,198.

General Fund Budgeting Highlights

Final budgeted revenues were \$4,103,797, which was equal to the original budget. Excluding nonbudgeted revenues, the School District's actual revenues exceeded budgeted revenues by \$432,236.

Final budgeted appropriations were \$4,420,267, which was an increase of \$1,470 from the original budget. The increase is due to prior year encumbrances. Excluding nonbudgeted expenditures, the School District's budget appropriations exceeded actual expenditures by \$259,050.

The School District's general fund balance – budgetary basis (Exhibit C-1) was \$2,245,325 at June 30, 2022, an increase of \$374,816 from the prior year.

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

Governmental Funds

At the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$2,220,778, an increase of \$392,738 from the prior year.

General fund - During the current fiscal year, the fund balance of the School District's general fund increased by \$393,768 or 21.90% to \$2,192,122 at June 30, 2022, compared to an increase of \$298,919 in fund balance in the prior fiscal year. The primary factor(s) affecting the change in fund balance of the general fund is as follows:

- Accrual of Maintenance of Equity revenue from State funding in the current year.

Special revenue fund – During the current fiscal year, there was an increase in the fund balance for the special revenue fund of \$893 due to activity in Student Activities.

Debt service fund - During the current fiscal year, the fund balance of the School District's debt service fund decreased by \$1,923 to \$131 at June 30, 2022, compared to a decrease of \$142,561 in fund balance in the prior fiscal year. The primary factor(s) affecting the change in fund balance of the debt service fund is as follows:

- The use of fund balance to balance the 2021-2022 budget.

Proprietary Funds

Food service fund - During the current fiscal year, the net position of the School District's food service fund increased by \$69,331 or 108.12% to \$133,460 at June 30, 2022, compared to an increase of \$17,951 in net position in the prior fiscal year. The primary factor(s) affecting the change in net position of the food service fund is as follows:

- An increase in operations due to funding changes from COVID-19. All meals served during the year were free for students and eligible for federal reimbursement during the year.

Summer camp fund - During the current fiscal year, the net position of the School District's summer camp fund did not change, compared to an increase of \$2,075 in fund balance in the prior fiscal year. The primary factor(s) affecting the change in net position of the summer camp fund is as follows:

- The District did not operate its summer camp during the year.

Extended day fund - During the current fiscal year, the net position of the School District's extended day fund increased \$16,768. This was the extended day fund's first year in operation.

Capital Assets

The School District's capital assets for its governmental and business-type activities as of June 30, 2022, totaled \$5,292,284 (net of accumulated depreciation). Capital assets includes land, construction in progress, land improvements, buildings and improvements and equipment. The School Districts "Net Investment in Capital Assets" component of net position represents capital assets, net of accumulated depreciation less any outstanding debt associated with the capital assets. There was a net decrease in the School District's investment in capital assets for the current fiscal year in the amount of \$341,187. This decrease is contributed to annual depreciation that is recorded.

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

Capital Assets (continued)

Table 4 shows fiscal 2022 balances compared to 2021.

Table 4
Summary of Capital Assets

<u>Capital Asset (Net of Depreciation):</u>	June 30, <u>2022</u>	June 30, <u>2021</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Land	\$ 90,889	\$ 90,889	\$ -	0.0%
Land Improvements	15,909	20,012	(4,103)	-20.5%
Building and Improvements	4,837,725	5,122,068	(284,343)	-5.6%
Equipment	347,761	400,502	(52,741)	-13.2%
	<u>\$ 5,292,284</u>	<u>\$ 5,633,471</u>	<u>\$ (341,187)</u>	-6.1%
Depreciation Expense	<u>\$ 374,392</u>	<u>\$ 362,017</u>		

Additional information on the School District's capital assets can be found in the notes to the basic financial statements (Note 5) of this report.

Debt Administration

Long-term debt – At the end of the current fiscal year, the School District had total bonded debt outstanding of \$3,320,000, which represents a decrease in the amount of \$165,000. The next principal payment is due on July 15, 2022 in the amount of \$170,000.

Additional information on the School District's long-term obligations can be found in the notes to the basic financial statements (Note 7) of this report.

Factors on the School District's Future

The following factors were considered and incorporated into the preparation of the School District's budget for the 2022-2023 fiscal year:

- In order to minimize expenditures, the District participates in multiple cost-sharing shared service agreements. Additionally, in order to realize additional cost savings the District consolidated payroll and Curriculum
- The Springfield Township School District has committed itself to strong financial controls. The School District spends a lot of time monitoring its budget, scrutinizing spending requests, and has been implementing even stronger internal controls. The School District commits itself to constantly reviewing the ways in which it conducts business, and making improvements whenever possible, in order to meet future challenges and maximize instructional spending.

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

Contacting the School Districts Financial Management

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Springfield Township School District Business Office, 2146 Jacksonville-Jobstown Road, Jobstown, New Jersey, 08041, telephone number: (609) 723-2382.

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BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2022

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTALS <u> </u> JUNE 30, 2022
Cash & Cash Equivalents	\$ 860,473	\$ 100,644	\$ 961,117
Receivables, Net (Note 4)	565,943	13,566	579,509
Internal Balances	2,457	(2,457)	-
Inventory	-	7,503	7,503
Restricted Cash & Cash Equivalents	876,591	-	876,591
Capital Assets, Net (Note 5)			
Non-Depreciable	90,889	-	90,889
Depreciable, Net	5,162,743	38,652	5,201,395
Total Assets	<u>7,559,096</u>	<u>157,908</u>	<u>7,717,004</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions (Note 8)	140,181	-	140,181
Total Deferred Outflows of Resources	<u>140,181</u>	<u>-</u>	<u>140,181</u>
Total Assets and Deferred Outflows of Resources	<u>7,699,277</u>	<u>157,908</u>	<u>7,857,185</u>
LIABILITIES			
Accounts Payable	64,170	-	64,170
Payroll Deductions and Withholdings Payable	5,276	-	5,276
Due to Other Governments	32,146	-	32,146
Unearned Revenue	15,240	4,710	19,950
Accrued Interest	53,554	-	53,554
Noncurrent Liabilities (Note 7):			
Due within one year	182,186	-	182,186
Due in more than one year	3,588,999	-	3,588,999
Total Liabilities	<u>3,941,571</u>	<u>4,710</u>	<u>3,946,281</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pension (Note 8)	696,910	-	696,910
Total Deferred Inflows of Resources	<u>696,910</u>	<u>-</u>	<u>696,910</u>
Total Liabilities and Deferred Inflows of Resources	<u>4,638,481</u>	<u>4,710</u>	<u>4,643,191</u>
NET POSITION			
Net Investment in Capital Assets	1,921,446	38,652	1,960,098
Restricted For:			
Capital Projects	473,534	-	473,534
Debt Service	131	-	131
Maintenance Reserve	247,977	-	247,977
Emergency Reserve	100,050	-	100,050
Other Purposes	83,555	-	83,555
Excess Surplus	675,997	-	675,997
Unrestricted (Deficit)	(441,894)	114,546	(327,348)
Total Net Position	<u>\$ 3,060,796</u>	<u>\$ 153,198</u>	<u>\$ 3,213,994</u>

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSES) REVENUE AND CHANGED IN NET POSITION			TOTALS
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	JUNE 30, 2022	
Governmental Activities:							
Instruction:							
Regular	\$ 1,311,169	\$ -	\$ 196,414	\$ (1,114,755)	\$ -	\$ (1,114,755)	
Special Education	487,746	-	-	(487,746)	-	(487,746)	
Other Instruction	1,570	-	-	(1,570)	-	(1,570)	
Support Services:							
Tuition	131,744	-	-	(131,744)	-	(131,744)	
Student & Instruction Related Services	803,245	-	108,041	(695,204)	-	(695,204)	
General Administrative Services	187,952	-	-	(187,952)	-	(187,952)	
Central Services	88,322	-	-	(88,322)	-	(88,322)	
Plant Operations and Maintenance	403,878	-	-	(403,878)	-	(403,878)	
Pupil Transportation	210,847	-	-	(210,847)	-	(210,847)	
Unallocated Employee Benefits	865,564	-	295,097	(570,467)	-	(570,467)	
On-Behalf TPAF Pension & Social Security Contributions	314,302	-	314,302	-	-	-	
Interest & Other Changes in Long-Term Debt	118,426	-	-	(118,426)	-	(118,426)	
Unallocated Depreciation	369,677	-	-	(369,677)	-	(369,677)	
Total Governmental Activities	5,294,442	-	913,854	(4,380,588)	-	(4,380,588)	
Business-Type Activities:							
Enterprise Funds	171,442	61,006	196,493	-	86,057	86,057	
Total Business-Type Activities	171,442	61,006	196,493	-	86,057	86,057	
Total Primary Government	\$ 5,465,884	\$ 61,006	\$ 1,110,347	\$ (4,380,588)	\$ 86,057	\$ (4,294,531)	
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, Net				3,618,801	-	3,618,801	
Federal & State Aid Unrestricted				1,164,884	-	1,164,884	
Tuition from Individuals				35,257	-	35,257	
Miscellaneous Income				34,218	42	34,260	
Total General Revenues, Special Items, Extraordinary Items & Transfers				4,853,160	42	4,853,202	
Change In Net Position				472,572	86,099	558,671	
Net Position - Beginning (Restated - See Note 20)				2,588,224	67,099	2,655,323	
Net Position - Ending				\$ 3,060,796	\$ 153,198	\$ 3,213,994	

B. Fund Financial Statements

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Governmental Funds

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**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2022**

ASSETS	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	<u>TOTALS</u> JUNE 30, 2022
Cash & Cash Equivalents	\$ 899,070	\$ -	\$ 131	\$ 899,201
Receivables, Net:				
Interfund Receivable	50,135	-	-	50,135
Due from Other Governments:				
Federal	-	123,853	-	123,853
State	442,090	-	-	442,090
Restricted Cash & Cash Equivalents	876,591	-	-	876,591
Total Assets	\$ 2,267,886	\$ 123,853	\$ 131	\$ 2,391,870
LIABILITIES & FUND BALANCES				
Liabilities:				
Cash Deficit	\$ -	\$ 38,728	\$ -	\$ 38,728
Interfund Payable	16,768	30,910	-	47,678
Accounts Payable	53,720	10,450	-	64,170
Payroll Deductions and Withholdings Payable	5,276	-	-	5,276
Unearned Revenue	-	15,240	-	15,240
Total Liabilities	75,764	95,328	-	171,092
Fund Balances:				
Restricted for:				
Capital Reserve	473,534	-	-	473,534
Maintenance Reserve	247,977	-	-	247,977
Emergency Reserve	100,050	-	-	100,050
Unemployment Compensation	55,030	-	-	55,030
Excess Surplus - Current Year	251,657	-	-	251,657
Excess Surplus - Prior Year - Designated for Subsequent Year Expenditures	424,340	-	-	424,340
Debt Service	-	-	131	131
Student Activities	-	28,525	-	28,525
Assigned to:				
Designated for Subsequent Year's Expenditures	7,322	-	-	7,322
Other Purposes	143	-	-	143
Unassigned	632,069	-	-	632,069
Total Fund Balances	2,192,122	28,525	131	2,220,778
Total Liabilities & Fund Balances	\$ 2,267,886	\$ 123,853	\$ 131	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$8,991,731 and the accumulated depreciation is \$3,738,099.	5,253,632
Deferred outflows and inflows of resources related to pensions and deferred charges and/or credits on debt refundings are applicable to future reporting periods and, therefore, are not reported in the funds.	(556,729)
Accrued pension contributions for the June 30, 2022 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.	(32,146)
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.	(53,554)
Long-term liabilities, including net pension liability and bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(3,771,185)
Net position of Governmental Activities	\$ 3,060,796

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	TOTALS JUNE 30, 2022
Revenues:				
Local Sources:				
Local Tax Levy	\$ 3,336,407	\$ -	\$ 282,394	\$ 3,618,801
Tuition from Individuals	35,257	-	-	35,257
Interest Earned on Capital Reserve Funds	61	-	-	61
Interest Earned on Maintenance Reserve Funds	187	-	-	187
Other Local Revenues/Miscellaneous	18,189	15,779	2	33,970
Total Local Sources	3,390,101	15,779	282,396	3,688,276
State Sources	2,059,655	-	-	2,059,655
Federal Sources	-	314,905	-	314,905
Total Revenues	5,449,756	330,684	282,396	6,062,836
Expenditures:				
Current Expense:				
Regular Instruction	1,098,976	212,193	-	1,311,169
Special Education Instruction	487,746	-	-	487,746
Other Instruction	1,570	-	-	1,570
Support Services & Undistributed Costs:				
Tuition	131,744	-	-	131,744
Student & Instruction Related Services	720,286	82,959	-	803,245
General Administrative Services	187,952	-	-	187,952
Central Services	88,322	-	-	88,322
Plant Operations & Maintenance	403,878	-	-	403,878
Pupil Transportation	210,847	-	-	210,847
Unallocated Employee Benefits	807,911	10,450	-	818,361
On-Behalf TPAF Pension and Social Security Contributions	894,771	-	-	894,771
Capital Outlay	9,016	24,189	-	33,205
Debt Service:				
Principal	11,594	-	165,000	176,594
Interest & Other Charges	1,375	-	119,319	120,694
Total Expenditures	5,055,988	329,791	284,319	5,670,098
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	393,768	893	(1,923)	392,738
Fund Balance, July 1	1,798,354	27,632	2,054	1,828,040
Fund Balances June 30	\$ 2,192,122	\$ 28,525	\$ 131	\$ 2,220,778

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**SPRINGFIELD 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 YEAR ENDED JUNE 30, 2022**

Total Net Change in Fund Balances - Governmental Funds (From B-2) \$ 392,738

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. When capital outlays and other adjustments exceed depreciation, the difference is an addition in the reconciliation (+); when depreciation and other adjustments exceed capital outlays the difference is a reduction to the reconciliation (-)

Capital Outlays	\$	33,205	
Deletions - Accumulated Depreciation		98,274	
Deletions - Historical Cost		(98,274)	
Depreciation Expense		<u>(369,677)</u>	(336,472)

Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period. 223,063

Repayment of long-term debt principal and obligation of lease purchase agreements are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. 176,594

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation (+) 2,268

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+). 14,381

Change in Net Position of Governmental Activities \$ 472,572

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Proprietary Funds

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SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2022

ASSETS	SUMMER CAMP FUND	EXTENDED DAY FUND	FOOD SERVICE	TOTALS
Current Assets:				
Cash	\$ 2,970	\$ -	\$ 97,674	\$ 100,644
Accounts Receivable:				
State	-	-	235	235
Federal	-	-	13,331	13,331
Interfund Receivable	-	16,768	-	16,768
Inventories	-	-	7,503	7,503
Total Current Assets	2,970	16,768	118,743	138,481
Noncurrent Assets:				
Equipment	-	-	79,622	79,622
Less: Accumulated Depreciation	-	-	(40,970)	(40,970)
Total Noncurrent Assets	-	-	38,652	38,652
Total Assets	2,970	16,768	157,395	177,133
LIABILITIES				
Current Liabilities:				
Interfunds Payable	-	-	19,225	19,225
Unearned Revenue	-	-	4,710	4,710
Total Liabilities	-	-	23,935	23,935
NET POSITION				
Net Investment in Capital Assets	-	-	38,652	38,652
Unrestricted	2,970	16,768	94,808	114,546
Total Net Position	\$ 2,970	\$ 16,768	\$ 133,460	\$ 153,198

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUNDS
STATEMENT OF REVENUES
EXPENSES AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	SUMMER CAMP	EXTENDED DAY FUND	FOOD SERVICE	TOTALS
Operating Revenues:				
Local Sources:				
Daily Sales - Nonreimbursable Programs	\$ -	\$ -	\$ 10,106	\$ 10,106
Miscellaneous	-	50,900	-	50,900
Total Operating Revenue	-	50,900	10,106	61,006
Operating Expenses:				
Salaries and Wages	-	34,132	-	34,132
Salaries and Fringe Benefits - FSMC	-	-	42,508	42,508
Cost of Sales - Reimbursable Programs	-	-	66,297	66,297
Cost of Sales - Nonreimbursable Programs	-	-	3,409	3,409
Management Fee	-	-	8,840	8,840
Supplies and Materials	-	-	3,713	3,713
Depreciation	-	-	4,715	4,715
Miscellaneous Expenses	-	-	7,828	7,828
Total Operating Expenses	-	34,132	137,310	171,442
Operating Income/(Loss)	-	16,768	(127,204)	(110,436)
Nonoperating Revenues/(Expenses):				
State Sources:				
State School Lunch Program	-	-	3,134	3,134
Federal Sources:				
National School Lunch Program	-	-	133,232	133,232
School Breakfast Program	-	-	47,434	47,434
Food Distribution Program	-	-	10,462	10,462
Emergency Operating Costs During COVID-19	-	-	989	989
Pandemic EBT Administrative Costs	-	-	1,242	1,242
Local Sources:				
Interest Earned	-	-	42	42
Total Nonoperating Revenue/(Expenses)	-	-	196,535	196,535
Change in Net Position	-	16,768	69,331	86,099
Total Net Position - Beginning	2,970	-	64,129	67,099
Total Net Position - Ending	\$ 2,970	\$ 16,768	\$ 133,460	\$ 153,198

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	SUMMER CAMP FUND	EXTENDED DAY FUND	FOOD SERVICE	TOTALS
Cash Flows from Operating Activities:				
Receipts from Customers and Other Funds	\$ -	\$ 34,132	\$ 8,673	\$ 42,805
Payments to Employees and for Employees Benefits	-	(34,132)	(42,508)	(76,640)
Payments to Suppliers	-	-	(78,097)	(78,097)
Net Cash Provided by (Used For) Operating Activities	-	-	(111,932)	(111,932)
Cash Flows From Noncapital Financing Activities:				
State Sources	-	-	4,004	4,004
Federal Sources	-	-	182,918	182,918
Net Cash Provided by (Used For) Noncapital Financing Activities	-	-	186,922	186,922
Cash Flows from Investing Activities:				
Interest and Dividends	-	-	42	42
Net Cash Provided by (Used For) Investing Activities	-	-	42	42
Net Increase/(Decrease) in Cash & Cash Equivalents	-	-	75,032	75,032
Balances - Beginning of Year	2,970	-	22,642	25,612
Balances - Ending of Year	\$ 2,970	\$ -	\$ 97,674	\$ 100,644

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

Operating Income (Loss)	\$ -	\$ 16,768	\$ (127,204)	\$ (110,436)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:				
Non-Cash Federal Assistance - Food Distribution Program	-	-	10,462	10,462
Depreciation Expense	-	-	4,715	4,715
Change in Assets & Liabilities:				
(Increase)/Decrease in Interfund Receivable	-	(16,768)	-	(16,768)
(Increase)/Decrease in Inventory	-	-	1,528	1,528
Increase/(Decrease) in Unearned Revenue	-	-	(1,433)	(1,433)
Net Cash Provided by (Used for) Operating Activities	\$ -	\$ -	\$ (111,932)	\$ (111,932)

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

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SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2022

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SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

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

Reporting Entity

The Springfield Township School District is a Type II School District located in the County of Burlington, State of New Jersey. As a Type II School District, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three members’ terms expire each year. The District provides a full range of educational services appropriate to grade levels K through 6. These include regular instruction as well as special education for handicapped youngsters. The operation of the District includes one elementary school located in Springfield Township. Students in grades 7 through 12 attend the Northern Burlington County Regional High School District, as a taxpaying resident. The School District has an approximate enrollment at June 30, 2022 of 248 students.

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

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

There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

Component Units

GASB Statement No. 14, *The Financial Reporting Entity*, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*, GASB Statement No. 80, *Blending Requirements for certain component units – and Amendment of GASB Statement No. 14* and GASB Statement No. 90, *Majority Equity Interests – An amendment of GASB Statements No. 14 and No. 61*. The District had no component units as of or for the year ended June 30, 2022.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

Government-Wide Financial Statements

The District's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the District accompanied by a total column. Fiduciary activities of the District are not included in these statements.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

Certain eliminations have been made to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule (Exhibit B-3) is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements. The District has presented all major funds that met those qualifications.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. (The District's deferred outflows of resources and deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the District, are property tax and intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated. A column representing internal service funds is also presented in these statements. However, internal service funds balances and activities have been combined with the governmental activities in the Government-Wide financial statements.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Net Position. The District’s fiduciary funds are Agency Funds, which are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Agency funds are accounted for on a spending or “economic resources” measurement focus and the accrual basis of accounting as are the proprietary funds explained above.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

While government-wide and fund financial statements are presented separately, they are interrelated. The governmental activities column of the government wide statements incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the District’s enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. However, data from the fiduciary funds is not incorporated in the government-wide financial statements

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in the governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, charges for services, licenses, and interest on notes receivable associated with the current fiscal period are all considered to be susceptible to accrual and accordingly have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available when cash is received.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Food Service Fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, employee salaries and benefits, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Internal service funds are used to account for those operations which provide benefits to other funds, departments, or agencies of the primary government and its component unit. Although internal service funds are reported as a proprietary fund in the fund financial statements, it is incorporated into governmental activities in the government-wide financial statements. The District does not maintain any internal service funds.

The District reports the following major governmental funds:

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

As required by the New Jersey Department of Education the School District includes budgeted capital outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, interest earnings and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment.

Special Revenue Fund - The special revenue fund is used to account for the proceeds of specific revenue from state and federal government, other than major capital projects, debt service or proprietary funds, and local appropriations that are restricted or committed to expenditures for specified purposes.

Capital Projects Fund - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for the acquisition of construction of major capital facilities, other than those financed by proprietary funds. The financial resources are derived from New Jersey School Development Authority grants, temporary notes, capital leases, or serial bonds that are specially 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 financial resources that are restricted, committed, or assigned to an expenditure for the payment of general long-term debt principal, interest and related costs of governmental funds.

The School District reports the following major proprietary funds:

Food Service Fund – The food service fund accounts for the financial transactions related to the food service operations of the School District.

Summer Camp Fund – The summer camp fund accounts for the financial transactions related to the summer camp operations of the School District.

Extended Day Fund – The extended day fund accounts for the financial transactions related to the before and after care operations of the School District.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2-2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23-2-11.

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

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

The budget, as detailed on Exhibit C-1, Exhibit C-2, and Exhibit I-3, includes all amendments to the adopted budget, if any.

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounts as presented in the General Fund Budgetary Comparison Schedules and the Special Revenue Fund Budgetary Comparison Schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds. Note that the District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payments.

Encumbrances

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as assigned fund balances at fiscal year-end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet as a reduction of the accounts receivables or as unearned revenue at fiscal year-end.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year-end.

Cash and Cash Equivalents

Cash and Cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost.

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

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (“GUDPA”). GUDPA was enacted in 1970 to protect Governmental Units from loss of funds on deposit with a failed banking institution in New Jersey.

N.J.S.A.17:9-41 et. Seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

Tuition Payable/Receivable

Tuition rates for the fiscal year end June 30, 2022 were established by the receiving district based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

Inventories

Inventories are valued at cost, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

Interfund Receivables/Payables

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year. The amounts are eliminated in the governmental and business-type activities, which are presented as Internal Balances. Balances with fiduciary funds are not considered Internal Balances; therefore those balances are reported on the Statement of Net Position.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair value at the date of donation. The District has established a threshold of \$2,000 for capitalization of depreciable assets.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land Improvements	10-20 Years	N/A
Buildings and Improvements	10-50 Years	N/A
Furniture and Equipment	5-20 Years	5-12 Years
Vehicles	5-10 Years	4-6 Years

Compensated Absences

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

The entire compensated absences liability is reported on the government-wide financial statements and proprietary fund financial statements. Compensated absences liability is not recorded in the governmental funds. Instead expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of resignations or retirements.

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied and is recorded as a liability until the revenue is both measureable and the District is eligible to realize the revenue.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, government fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources.

Accounting Estimates

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

Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Fund Balance

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the District classifies governmental fund balances as follows:

- Non-spendable – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

that existing resources have been specifically committed for use in satisfying those contractual requirements. The School Board did not have any committed resources as of June 30, 2022.

- Assigned – This classification includes amounts that are constrained by the School District’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the District’s policy to consider restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, it is the District’s policy to consider amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

Net Position

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

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

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2022:

Statement No. 87, *Leases*. Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments. The GASB based the new standard on the principle that leases are financing of the right to use an underlying asset. Statement No. 87 is effective for reporting periods beginning after June 15, 2021. The adoption of this pronouncement had no material effect on the financial statements.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

Recently Issued Accounting Pronouncements

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

Statement No. 96, *Subscription-Based Information Technology Arrangements*. Statement No. 96 establishes a single approach to accounting and financial reporting for subscription-based information technology arrangements for government end users. Statement No. 96 is effective for reporting periods beginning after June 15, 2022. Management has not yet determined the potential impact on the District's financial statements.

Statement No. 101, *Compensated Absences*. Statement No. 101 aligns the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Statement No. 101 is effective for reporting periods beginning after December 15, 2023. Management has not yet determined the potential impact on the District's financial statements.

Bond Premiums, Discounts and Issuance Costs

In the government-wide financial statements and in the proprietary fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when bonds are issued.

In governmental fund financial statements, bond premiums and discounts, as well as debt issuance costs are recognized in the current period. The face amount of the debt is reported as other financing sources. Premiums received on debt issuance are also reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

Deferred Loss on Refunding Debt

Deferred loss on refunding debt arising from the issuance of the refunding bonds is recorded as deferred outflows of resources. It is amortized in a systematic and rational manner over the shorter of the duration of the related debt or the new debt issues as a component of interest expense.

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan’s fiduciary net position and additions to/deductions from the plan’s fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 2. Deposits and Investments

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2022, the School District’s bank balance of \$1,947,879 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$ 1,914,276
Uninsured and Uncollateralized	<u>33,603</u>
Total	<u>\$ 1,947,879</u>

Investments

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

Note 3. Reserve Accounts

Capital Reserve

A capital reserve account was established by the School District for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the School District’s approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a School District may increase the balance in the capital reserve by appropriating funds in the annual general fund

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 3. Reserve Accounts (continued)

budget certified for taxes or by transfer by board resolution at year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A School District may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant *N.J.S.A.19:60-2*. Pursuant to *N.J.A.C.6:23A-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Beginning Balance, July 1, 2021	\$	473,473
Increased by:		
Interest Earnings		<u>61</u>
Ending Balance, June 30, 2022	\$	<u>473,534</u>

Maintenance Reserve

The School District established a maintenance reserve account for the accumulation of funds for use as required maintenance of a facility in subsequent fiscal years. Funds placed in the maintenance reserve account are restricted to maintenance projects in the School District’s approved Maintenance Plan (M-1). A School District may increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. The balance in the account cannot at any time exceed four percent of the replacement cost of the school district’s school facilities for the current year.

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

Beginning Balance, July 1, 2021	\$	247,790
Increased by:		
Interest Earnings		<u>187</u>
Ending Balance, June 30, 2022	\$	<u>247,977</u>

Emergency Reserve

An emergency reserve account was established by inclusion of \$100,000 on June 18, 2018 for the accumulation of funds for use as emergency expenditures in subsequent fiscal years. The emergency reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 3. Reserve Accounts (continued)

The emergency reserve account is used to accumulate funds in accordance with N.J.S.A. 18A:7F-41c(1) to finance unanticipated general fund expenditures required for a thorough and efficient education. Unanticipated means reasonably unforeseeable and shall not include additional costs caused by poor planning. The maximum balance permitted at any time in this reserve is the greater of \$250,000 or 1 percent of the general fund budget not to exceed \$1 million. Deposits may be made to the emergency reserve account by board resolution at year end of any unanticipated revenue or unexpended line item appropriation or both. The department has defined year end for the purpose of depositing surplus into reserve accounts as an amount approved by the district board of education between June 1 and June 30. Withdrawals from the reserve require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of 4 percent.

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

Ending Balance, June 30, 2021 and 2022	<u>\$ 100,050</u>
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Note 4. Accounts Receivable

Accounts receivable at June 30, 2022 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state and federal programs, the current fiscal year guarantee of federal funds and the budgetary control of New Jersey governmental entities. Accounts receivable in the School District's governmental and business-type activities as of June 30, 2022, consisted of the following:

<u>Description</u>	<u>Governmental Funds</u>		Total Governmental <u>Activities</u>	<u>Proprietary</u>	Total Business-Type <u>Activities</u>
	General <u>Fund</u>	Special Revenue <u>Fund</u>		Food Service <u>Fund</u>	
Federal Awards	\$ -	\$ 123,853	\$ 123,853	\$ 13,331	\$ 13,331
State Awards	442,090	-	442,090	235	235
Total	<u>\$ 442,090</u>	<u>\$ 123,853</u>	<u>\$ 565,943</u>	<u>\$ 13,566</u>	<u>\$ 13,566</u>

Note 5. Capital Assets

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

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 5. Capital Assets (continued)

	Balance July 1, <u>2021</u>	<u>Additions</u>	Retirements <u>and Transfers</u>	Balance June 30, <u>2022</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 90,889	\$ -	\$ -	\$ 90,889
Total Capital Assets not being depreciated	<u>90,889</u>	<u>-</u>	<u>-</u>	<u>90,889</u>
Capital Assets being depreciated:				
Land Improvements	182,339	-	-	182,339
Buildings and Improvements	8,011,979	33,205	-	8,045,184
Vehicles and Equipment	771,593	-	(98,274)	673,319
Total Capital Assets being depreciated	<u>8,965,911</u>	<u>33,205</u>	<u>(98,274)</u>	<u>8,900,842</u>
Less: Accumulated Depreciation:				
Land Improvements	(162,327)	(4,103)	-	(166,430)
Buildings and Improvements	(2,889,911)	(317,548)	-	(3,207,459)
Vehicles and Equipment	(414,458)	(48,026)	98,274	(364,210)
Total Accumulated Depreciation	<u>(3,466,696)</u>	<u>(369,677)</u>	<u>98,274</u>	<u>(3,738,099)</u>
Total Capital Assets being depreciated, net	<u>5,499,215</u>	<u>(336,472)</u>	<u>-</u>	<u>5,162,743</u>
Total Governmental Activities Capital Assets, net	<u>\$ 5,590,104</u>	<u>\$ (336,472)</u>	<u>\$ -</u>	<u>\$ 5,253,632</u>
	Balance July 1, <u>2021</u>	<u>Additions</u>	Retirements <u>and Transfers</u>	Balance June 30, <u>2022</u>
Business-Type Activities:				
Equipment	\$ 88,622	\$ -	\$ (9,000)	\$ 79,622
	<u>88,622</u>	<u>-</u>	<u>(9,000)</u>	<u>79,622</u>
Less: Accumulated Depreciation:				
Equipment	(45,255)	(4,715)	9,000	(40,970)
	<u>(45,255)</u>	<u>(4,715)</u>	<u>9,000</u>	<u>(40,970)</u>
Total Business-Type Activities Capital Assets, net	<u>\$ 43,367</u>	<u>\$ (4,715)</u>	<u>\$ -</u>	<u>\$ 38,652</u>

Depreciation expense was not allocated among the various functions/programs of the School District.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 6. Interfund Receivables, Payables and Transfers

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

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 50,135	\$ 16,768
Special Revenue Fund	-	30,910
Extended Day Fund	16,768	-
Food Service Fund	-	19,225
	<u>\$ 66,903</u>	<u>\$ 66,903</u>

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

Note 7. Long-Term Obligations

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

	<u>Balance July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2022</u>	<u>Balance Due Within One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 3,485,000	\$ -	\$ 165,000	\$ 3,320,000	\$ 170,000
Financed Purchase Payable	23,780	-	11,594	12,186	12,186
Compensated Absences	101,237	-	14,381	86,856	-
Net Pension Liability	518,134	-	165,991	352,143	-
	<u>\$ 4,128,151</u>	<u>\$ -</u>	<u>\$ 356,966</u>	<u>\$ 3,771,185</u>	<u>\$ 182,186</u>

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

Bonds Payable

The voters of the municipality through referendums authorize bonds in accordance with State Law. All bonds are retired in serial installments within the statutory period of usefulness.

On July 15, 2015, the School District issued \$4,104,000 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 3% to 4% and mature on July 15, 2036.

Principal and interest due on the outstanding bonds are as follows:

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 7. Long-Term Obligations (continued)

Fiscal Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 170,000	\$ 114,294	\$ 284,294
2024	175,000	109,119	284,119
2025	180,000	103,793	283,793
2026	190,000	98,244	288,244
2027	195,000	92,469	287,469
2028-2032	850,000	364,191	1,214,191
2033-2037	1,560,000	136,500	1,696,500
	<u>\$ 3,320,000</u>	<u>\$ 1,018,610</u>	<u>\$ 4,338,610</u>

Financed Purchases Payable

The School District purchased a school bus under a financed purchase agreement. The agreement was made as of August 1, 2018 for a term of 48 months at an interest rate of 3.00%. The following is a schedule of the remaining future minimum loan payments under this financed purchase agreement and the present value of the net minimum loan payments at June 30, 2022:

Fiscal Year Ending <u>June 30,</u>	
2023	<u>\$ 12,809</u>
Total Minimum Loan Payments	12,809
Less: Amount Representing Interest	<u>(623)</u>
Present Value of Minimum Loan Payments	<u>\$ 12,186</u>

Bonds Authorized but not Issued

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

Note 8. Pension Plans

A. Public Employees' Retirement System (PERS)

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

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 8. Pension Plans (continued)

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

The vesting and benefit provisions are set by *N.J.S.A. 43:15A*. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

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

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

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources - At June 30, 2022, the School District reported a liability of \$352,143 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 8. Pension Plans (continued)

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

pension liability from an actuarial valuation as of July 1, 2020, to the measurement date of June 30, 2021. The School District’s proportion of the net pension liability was based on the School District’s actual contributions to the plan relative to the total of all participating employers’ contributions for the year ended June 30, 2021. The School District’s proportion measured as of June 30, 2021, was 0.00297%, which was a decrease of 0.00021% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the School District recognized full accrual pension expense/(benefit) of (\$186,791) in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2021 measurement date. At June 30, 2022 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 5,554	\$ 2,521
Changes of Assumptions	1,834	125,365
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	92,764
Changes in Proportion and Differences between District Contributions and Proportionate Share of Contributions	100,647	476,260
School District Contributions Subsequent to Measurement Date	<u>32,146</u>	<u>-</u>
	<u>\$ 140,181</u>	<u>\$ 696,910</u>

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 8. Pension Plans (continued)

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

\$32,146 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is based on the amount payable to the State due April 1, 2023 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending <u>Dec 31,</u>	<u>Amount</u>
2022	\$ (229,435)
2023	(163,816)
2024	(111,695)
2025	(83,961)
2026	<u>32</u>
	<u>\$ (588,875)</u>

The amortization of the above other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 8. Pension Plans (continued)

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

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	5.63	-
June 30, 2019	5.21	-
June 30, 2020	5.16	-
June 30, 2021	5.13	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	-	5.13
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	-	5.00
June 30, 2021	5.00	-
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	6.44
June 30, 2015	5.72	5.72
June 30, 2016	5.57	5.57
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16
June 30, 2021	5.13	5.13

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 8. Pension Plans (continued)

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

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

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

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

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

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2021 are summarized in the following table:

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 8. Pension Plans (continued)

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
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 Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
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%
	100.00%	

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the School District’s proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the School District’s proportionate share of the net pension liability as of June 30, 2021, calculated using the discount rate of 7.00% as well as what the School District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 8. Pension Plans (continued)

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's Proportionate Share of the Net Pension Liability	<u>\$ 484,659</u>	<u>\$ 352,143</u>	<u>\$ 246,624</u>

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2022 and 2021:

Balances at June 30, 2022 and June 30, 2021

	<u>6/30/2022</u>	<u>6/30/2021</u>
Actuarial valuation date (including roll forward)	June 30, 2021	June 30, 2020
Collective Deferred Outflows of Resources	\$ 1,164,738,169	\$ 2,347,583,337
Collective Deferred Inflows of Resources	8,339,123,762	7,849,949,467
Collective Net Pension Liability	11,972,782,878	16,435,616,426
District's portion of the Plan's total Net Pension Liability	0.00297%	0.00318%

B. Teachers' Pension and Annuity Fund (TPAF)

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

The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

The following represents the membership tiers for TPAF:

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

Note 8. Pension Plans (continued)

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

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

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

Contributions - The contribution policy for TPAF is set by *N.J.S.A 18A:66* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For fiscal year 2021, the State's pension contribution was less than the actuarial determined amount.

As mentioned previously, the employer contributions for local participating employers are legally required to be funded by the State in accordance with *N.J.S.A 18:66-33*. Therefore, the School District is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the School District does not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers.

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2021 was \$7,547,872. The School District's proportionate share was \$-0-.

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2021, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.01570%, which was a decrease of 0.00293% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the School District recognized \$177,605 in on-behalf pension expense and revenue in the government-wide financial statements, for the State of New Jersey on-behalf

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 8. Pension Plans (continued)

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

TPAF pension contributions. This pension expense and revenue was based on the pension plans June 30, 2021 measurement date.

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

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00 - 6.00% Based on Years of Service
Thereafter	3.00 - 7.00% Based on Years of Service
Investment Rate of Return	7.00%

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

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

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2021 are summarized in the following table:

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 8. Pension Plans (continued)

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
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 Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
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%
	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2062. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2062 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate – As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. The following represents the State's proportionate share of the net pension liability, attributable to the School District calculated using the discount rate of 7.00% as well as what the State's proportionate share of the net pension liability, attributable to the School District's would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 8. Pension Plans (continued)

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

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	8,930,393	7,547,872	6,386,641
	<u>\$ 8,930,393</u>	<u>\$ 7,547,872</u>	<u>\$ 6,386,641</u>

Pension Plan Fiduciary Net Position - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers Pension and Annuity Fund (TPAF) and additions to/deductions from the TPAF's fiduciary net position have been determined on the same basis as they are reported by the TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Additional Information – The following is a summary of the collective balances of the local group at June 30, 2022 and 2021:

Balances at June 30, 2022 and June 30, 2021

	<u>6/30/2022</u>	<u>6/30/2021</u>
Actuarial valuation date (including roll forward)	June 30, 2021	June 30, 2020
Collective Deferred Outflows of Resources	\$ 6,373,530,834	\$ 9,626,458,228
Collective Deferred Inflows of Resources	27,363,797,906	14,591,988,841
Collective Net Pension Liability	48,165,991,182	65,993,498,688
District's portion of the Plan's total Net Pension Liability	0.01570%	0.01863%

C. Defined Contribution Plan (DCRP)

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

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022 (continued)

Note 8. Pension Plans (continued)

C. Defined Contribution Plan (DCRP) (continued)

- Employees enrolled in the Public Employees' Retirement System (PERS) or Teachers' Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits;
- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually. The minimum salary in 2020 is \$8,300 and is subject to adjustment in future years.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per
- week for State employees, or 32 hours per week for local government or local education employees

Contributions - The contribution policy is set by N.J.S.A. 43:15C-3 and requires active members and contribution employers. When enrolled in the DCRP, members are required to contribute 5.5% of their base salary to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP investments with the Division of Pension and Benefits. Member contributions are matched by a 3% contribution from the School District.

For the year ended June 30, 2022, employee contributions totaled \$12,601, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$6,873.

Note 9. Other Post-Retirement Benefits

General Information about the OPEB Plan

The State of New Jersey reports a liability as a result of its statutory requirements to pay other postemployment (health) benefits for State Health Benefit Local Education Retired Employees Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 52:14-17.32f. According to N.J.S.A 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L., 2011, future retirees eligible for postretirement medical

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 9. Other Post-Retirement Benefits (continued):

coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree’s annual retirement benefit and level of coverage.

The total nonemployer OPEB liability does not include certain other postemployment benefit obligations that are provided by the local education employers. The reporting of these benefits is the responsibility of the individual local education employers.

Basis of Presentation

The Schedule presents the State of New Jersey’s obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles.

Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Total Nonemployer OPEB Liability

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

Total Nonemployer OPEB Liability:	\$	60,007,650,970		
Inflation Rate:		2.50%		
		<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases:				
Through 2026		1.55 - 4.45%	2.00 - 6.00%	3.25 - 15.25%
		based on years of service	based on years of service	based on years of service
Thereafter		2.75 - 5.65%	3.00 - 7.00%	
		based on years of service	based on years of service	Not Applicable

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

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 9. Other Post-Retirement Benefits (continued):

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of actuarial experience studies for the periods July 1, 2015 – June 30, 2018, July 1, 2014 – June 30, 2018, and July 1, 2013 – June 30, 2018 for TPAF, PERS and PFRS, respectively.

OPEB Obligation and OPEB Expense - The State's proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2022 was \$13,100,139. The School District's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2021, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. The State's proportionate share of the OPEB Obligation associated with the District was based on projection of the State's long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2021, the State proportionate share of the OPEB Obligation attributable to the School District was 0.02183%, which was a decrease of 0.00099% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the State of New Jersey recognized an OPEB expense in the amount of \$284,544 for the State's proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2021 measurement date.

Health Care Trend Assumptions

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

Discount Rate

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

Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate

The following presents the total nonemployer OPEB liability as of June 30, 2021, respectively, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 9. Other Post-Retirement Benefits (continued):

	June 30, 2021		
	At 1% Decrease (1.16%)	At Discount Rate (2.16%)	At 1% Increase (3.16%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 15,691,910	\$ 13,100,139	\$ 11,059,275
State of New Jersey's Total Non- employer Liability	\$ 71,879,745,555	\$ 60,007,650,970	\$ 50,659,089,138

Sensitivity of Total Nonemployer OPEB Liability to changes in the healthcare trend rate

The following presents the total nonemployer OPEB liability as of June 30, 2021, calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1- percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2021		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 10,604,605	\$ 13,100,139	\$ 16,451,457
State of New Jersey's Total Nonemployer OPEB Liability	\$ 48,576,388,417	\$ 60,007,650,970	\$ 75,358,991,782

Additional Information

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

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

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 9. Other Post-Retirement Benefits (continued):

** Employer Contributions made after June 30, 2021 are reported as a deferred outflow of resources, but are not amortized in expense.

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

Fiscal Year Ending June 30,	
2022	\$ (1,182,303,041)
2023	(1,182,303,041)
2024	(1,182,303,041)
2025	(1,182,303,041)
2026	(840,601,200)
Thereafter	<u>347,612,410</u>
	<u><u>\$ (5,222,200,954)</u></u>

Plan Membership

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

	<u>June 30, 2020</u>
Active Plan Members	213,901
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>150,427</u>
	<u><u>364,328</u></u>

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2022 (measurement date June 30, 2021) is as follows:

Total OPEB Liability	
Service Cost	\$ 3,217,184,264
Interest Cost	1,556,661,679
Difference Between Expected & Actual Experience	(11,385,071,658)
Changes of Benefit Terms	(63,870,842)
Changes of Assumptions	59,202,105
Contributions: Member	39,796,196
Gross Benefit Payments	<u>(1,226,213,382)</u>
Net Change in Total OPEB Liability	(7,802,311,638)
Total OPEB Liability (Beginning)	<u>67,809,962,608</u>
Total OPEB Liability (Ending)	<u><u>\$ 60,007,650,970</u></u>
Total Covered Employee Payroll	\$ 14,425,669,769
Net OPEB Liability as a Percentage of Payroll	415.98%

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 10. On-Behalf Payments for Fringe Benefits and Salaries

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers’ Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2022, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$614,418, \$136,697, \$143,553 and \$103, respectively.

Note 11. Risk Management

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

New Jersey Unemployment Compensation Insurance – The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan the School District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The School District is billed quarterly for amounts due to the State. The following is a summary of School District contributions, reimbursements to the State for benefits paid and the ending balance of the School District’s trust fund for the current and previous two years:

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2021-2022	\$ 3,916	\$ 50	\$ -	\$ 55,030
2020-2021	3,112	239	647	51,064
2019-2020	4,502	678	6,333	48,360

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

Joint Insurance Pool – The School District also participates in the Burlington County Insurance Pool Joint Insurance Fund and, public entity risk pool. The Pool provides its members with the following coverage:

- | | |
|---------------------------------------|--------------------------------|
| Property – Blanket Building & Grounds | General & Automobile Liability |
| Environmental Impairment Liability | Workers’ Compensation |
| School Board Legal Liability | Excess Liability |
| Employers Liability | Comprehensive Crime Coverage |

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 12. Contingencies

State and Federal Grantor Agencies - The School District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the School District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2022 may be impaired. In the opinion of the School District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

Litigation – The School District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the School Districts’ attorney that resolution of these matters will not have a material adverse effect on the financial condition of the School District.

Economic Dependency – The School District receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, could have an effect on the School District’s programs and activities.

Note 13. Deferred Compensation

The School District offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

Lincoln Investment Planning
AXA Equitable

Note 14. Compensated Absences

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

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

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2022, the liability for compensated absences reported on the government-wide and on the proprietary fund Statement of Net Position was \$86,856 and \$-0-, respectively.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 15. Tax Abatements

As defined by the Governmental Accounting Standards Board (GASB) Statement No. 77, a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

For a local school district board of education or board of school estimate that has elected to raise their minimum tax levy using the required local share provisions at N.J.S.A. 18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth.

Note 16. Commitments

The School District has contractual commitments at June 30, 2022 to various vendors, which are recorded in the general fund as assigned to other purposes in the amount of \$143.

Note 17. Calculation of Excess Surplus

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2022 was \$251,657.

Note 18. Fund Balances

General Fund – Of the \$2,192,122 General Fund fund balance at June 30, 2022, \$473,534 has been restricted for the Capital Reserve Account; \$247,977 has been restricted for the Maintenance Reserve Account; \$100,050 has been restricted for the Emergency Reserve Account; \$251,657 has been restricted for current year excess surplus; \$424,340 is restricted for prior year excess surplus – designated for subsequent year's expenditures; \$55,030 is restricted for Unemployment Compensation; \$7,322 is designated for subsequent year's expenditures; \$143 is assigned to other purposes and \$632,069 has been unassigned.

Special Revenue Fund – Of the \$28,525 Special Revenue Fund fund balance at June 30, 2022, \$28,525 is restricted for student activities.

Debt Service Fund – Of the \$131 Debt Service Fund fund balance at June 30, 2022, \$131 is restricted for future debt service payments.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 19. Deficit in Net Position

Unrestricted Net Position – The School District governmental activities had a deficit in unrestricted net position in the amount of \$441,894 at June 30, 2022. The primary causes of this deficit is the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employee’s Retirement System (PERS) as of June 30, 2022. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

Note 20. Prior Period Adjustment/Restatement of Net Position and Fund Balance

During the year ended June 30, 2022, the District completed a full appraisal of its capital assets. The District adjusted its beginning balances to reflect changes to its Net Position in the Governmental Activities, Business-Type Activities and Food Service Fund. The beginning balances as of July 1, 2021 were adjusted as follows:

Prior Period Adjustment to Net Position (Governmental Activities)

Balance, July 1, 2021 prior to Adjustment	\$ 2,494,316
Add:	
Adjustment to Capital Assets	<u>93,908</u>
Balance, July 1, 2021 Restated	<u>\$ 2,588,224</u>

Prior Period Adjustment to Net Position (Business-Type Activities)

Balance, July 1, 2021 prior to Adjustment	\$ 23,732
Add:	
Adjustment to Capital Assets	<u>43,367</u>
Balance, July 1, 2021 Restated	<u>\$ 67,099</u>

Prior Period Adjustment to Net Position (Food Service Fund)

Balance, July 1, 2021 prior to Adjustment	\$ 20,762
Add:	
Adjustment to Capital Assets	<u>43,367</u>
Balance, July 1, 2021 Restated	<u>\$ 64,129</u>

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 21. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2022 and March 27, 2023, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items have come to the attention of the School District that would require disclosure.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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

	ACCOUNT NUMBERS	JUNE 30, 2022			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Revenues:						
Local Sources:						
Local Tax Levy	10-1210	\$ 3,336,407	\$ -	\$ 3,336,407	\$ 3,336,407	\$ -
Tuition from Individuals	10-1310	20,000	-	20,000	35,257	15,257
Interest Earned on Capital Reserve Funds	10-1XXX	150	-	150	61	(89)
Interest Earned on Emergency Reserves	10-1XXX	30	-	30	-	(30)
Interest Earned on Maintenance Reserve Funds	10-1XXX	150	-	150	187	37
Unrestricted Miscellaneous Revenue	10-1XXX	36,400	-	36,400	14,223	(22,177)
Other Restricted Miscellaneous Revenue	10-1XXX	-	-	-	3,966	3,966
Total Local Sources		3,393,137	-	3,393,137	3,390,101	(3,036)
State Sources:						
Categorical Transportation Aid	10-3121	139,769	-	139,769	139,769	-
Categorical Special Education Aid	10-3132	159,516	-	159,516	159,516	-
Equalization Aid	10-3176	389,018	-	389,018	389,018	-
Categorical Security Aid	10-3177	22,357	-	22,357	22,357	-
Maintenance of Equity Aid	10-3192	-	-	-	388,080	388,080
Extraordinary Aid	10-3131	-	-	-	46,032	46,032
Nonpublic Transportation Aid	10-3xxx	-	-	-	1,160	1,160
Nonbudgeted:						
On-Behalf TPAF:						
Normal Pension Contributions		-	-	-	614,418	614,418
Post-Retirement Medical Contributions		-	-	-	143,553	143,553
Long-Term Disability Insurance Contributions		-	-	-	103	103
Reimbursed TPAF Social Security Contributions		-	-	-	136,697	136,697
Total State Sources		710,660	-	710,660	2,040,703	1,330,043
Total Revenues		4,103,797	-	4,103,797	5,430,804	1,327,007
Expenditures:						
Current Expense:						
Regular Programs - Instruction:						
Salaries of Teachers:						
Preschool	11-105-100-101	32,240	880	33,120	33,120	-
Kindergarten	11-110-100-101	155,446	(305)	155,141	155,141	-
Grades 1 - 5	11-120-100-101	710,224	(16,395)	693,829	693,829	-
Grades 6 - 8	11-130-100-101	117,357	(1,966)	115,391	114,456	935
Home Instruction - Regular Programs:						
Salaries of Teachers	11-150-100-101	1,000	(428)	572	572	-
Regular Programs - Undistributed Instruction:						
Other Salaries for Instruction	11-190-100-106	4,150	(4,111)	39	39	-
Purchased Technical Services	11-190-100-340	31,195	3,935	35,130	35,130	-
Other Purchased Services	11-190-100-500	880	(26)	854	854	-
General Supplies	11-190-100-610	68,725	(1,990)	66,735	65,835	900
Total Regular Programs - Instruction		1,121,217	(20,406)	1,100,811	1,098,976	1,835
Special Education:						
Multiple Disabilities:						
Salaries of Teachers	11-212-100-101	64,756	4,760	69,516	69,516	-
Other Salaries for Instruction	11-212-100-106	44,981	(16,749)	28,232	28,232	-
Total Multiple Disabilities		109,737	(11,989)	97,748	97,748	-
Resource Room/Resource Center						
Salaries of Teachers	11-213-100-101	305,196	37,643	342,839	331,845	10,994
Other Salaries for Instruction	11-213-100-106	12,902	(1,055)	11,847	11,847	-
General Supplies	11-213-100-610	900	(900)	-	-	-
Total Resource Room/Resource Center		318,998	35,688	354,686	343,692	10,994

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

	ACCOUNT NUMBERS	JUNE 30, 2022			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Pre-School Disabilities - Part-Time						
Salaries of Teachers	11-215-100-101	23,978	(1,595)	22,383	22,383	-
Other Salaries for Instruction	11-215-100-106	22,951	972	23,923	23,923	-
General Supplies	11-215-100-600	400	(400)	-	-	-
Total Pre-School Disabilities - Part-Time		47,329	(1,023)	46,306	46,306	-
Home Instruction:						
Salaries of Teachers	11-219-100-101	500	(500)	-	-	-
Total Home Instruction		500	(500)	-	-	-
Total Special Education		476,564	22,176	498,740	487,746	10,994
Other Instruction:						
School Sponsored Cocurricular Activities:						
Salaries	11-401-100-100	1,100	200	1,300	900	400
Other Purchased Services	11-401-100-500	3,000	-	3,000	670	2,330
General Supplies	11-401-100-600	500	-	500	-	500
Total School Sponsored Cocurricular Activities		4,600	200	4,800	1,570	3,230
Other Instructional Programs - Instruction						
Supplies and Materials	11-4XX-100-600	500	-	500	-	500
Total Other Instructional Programs - Instruction		500	-	500	-	500
Total Instruction		1,602,881	1,970	1,604,851	1,588,292	16,559
Undistributed Expenditures:						
Instruction:						
Tuition to Other LEAs Within State - Special	11-000-100-562	28,222	34,572	62,794	34,572	28,222
Tuition to CSSD & Regional Day Schools	11-000-100-565	194,527	(34,572)	159,955	97,172	62,783
Total Instruction		222,749	-	222,749	131,744	91,005
Attendance & Social Work Services:						
Salaries	11-000-211-100	29,835	1,000	30,835	30,835	-
Total Attendance & Social Work Services		29,835	1,000	30,835	30,835	-
Health Services:						
Salaries	11-000-213-100	74,592	3,086	77,678	75,149	2,529
Purchased Professional & Technical Services	11-000-213-300	2,175	(1,620)	555	555	-
Supplies and Materials	11-000-213-600	3,100	(608)	2,492	2,492	-
Other Objects	11-000-213-800	85	-	85	-	85
Total Health Services		79,952	858	80,810	78,196	2,614
Speech, OT, PT & Related Services:						
Salaries	11-000-216-100	63,394	(2,737)	60,657	57,226	3,431
Purchased Professional/Educational Services	11-000-216-320	20,000	1,518	21,518	9,459	12,059
Total Speech, OT, PT & Related Services		83,394	(1,219)	82,175	66,685	15,490

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

	ACCOUNT NUMBERS	JUNE 30, 2022			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Other Support Services - Students - Extraordinary Services:						
Salaries	11-000-217-100	-	5,194	5,194	5,194	-
Purchased Professional - Educational Services	11-000-217-320	78,735	(5,194)	73,541	54,436	19,105
Total Other Support Services - Students - Extraordinary Services		78,735	-	78,735	59,630	19,105
Child Study Teams:						
Salaries of Other Professional Staff	11-000-219-104	210,167	(19,410)	190,757	186,615	4,142
Salaries of Secretarial & Clerical Assistants	11-000-219-105	36,695	-	36,695	36,695	-
Other Salaries	11-000-219-110	2,000	3,342	5,342	5,342	-
Purchased Professional & Technical Services	11-000-219-390	12,500	11,858	24,358	18,673	5,685
Supplies & Materials	11-000-219-600	1,000	500	1,500	1,042	458
Total Child Study Team		262,362	(3,710)	258,652	248,367	10,285
Improvement of Instruction:						
Salary of Supervisor of Instruction	11-000-221-102	100,763	(2,522)	98,241	89,913	8,328
Salaries of Secretaries & Clerical Assistants	11-000-221-105	6,553	1,356	7,909	7,908	1
Other Salaries	11-000-221-110	6,829	-	6,829	2,565	4,264
Other Purchased Services	11-000-221-500	6,000	(623)	5,377	-	5,377
Supplies and Materials	11-000-221-600	100	-	100	-	100
Total Improvement of Instruction		120,245	(1,789)	118,456	100,386	18,070
Educational Media Services/School Library:						
Salaries	11-000-222-100	62,778	1,354	64,132	64,132	-
Purchased Professional & Technical Services	11-000-222-300	58,000	4,400	62,400	62,400	-
Supplies and Materials	11-000-222-600	5,000	(725)	4,275	4,275	-
Total Educational Media Services/School Library		125,778	5,029	130,807	130,807	-
Instructional Staff Training:						
Other Salaries	11-000-223-110	750	180	930	930	-
Purchased Professional - Technical Services	11-000-223-390	850	439	1,289	1,289	-
Other Purchased Services	11-000-223-500	3,250	(105)	3,145	3,145	-
Supplies and Materials	11-000-223-600	100	-	100	16	84
Total Instructional Staff Training		4,950	514	5,464	5,380	84
Support Services General Administration:						
Salaries	11-000-230-100	141,349	9,174	150,523	131,980	18,543
Legal Services	11-000-230-331	12,500	(2,954)	9,546	8,905	641
Audit Fees	11-000-230-332	16,000	6,620	22,620	22,620	-
Other Purchased Professional Services	11-000-230-339	3,500	(1,500)	2,000	2,000	-
Purchased Technical Services	11-000-230-340	5,750	330	6,080	6,080	-
Communications/Telephone	11-000-230-530	6,475	2,670	9,145	7,594	1,551
BOE Other Pruchased Services	11-000-230-585	500	-	500	160	340
Misc Purchase Svc	11-000-230-590	1,250	1,434	2,684	2,231	453
Supplies and Materials	11-000-230-610	1,850	(320)	1,530	1,187	343
Miscellaneous Expenditures	11-000-230-890	1,750	325	2,075	2,075	-
BOE Membership Dues & Fees	11-000-230-895	3,125	(5)	3,120	3,120	-
Total Support Services General Administration		194,049	15,774	209,823	187,952	21,871
Support Services Central Services:						
Salaries	11-000-251-100	77,254	1	77,255	77,255	-
Purchased Technical Services	11-000-251-340	7,900	2,212	10,112	10,112	-
Supplies and Materials	11-000-251-600	1,250	(400)	850	550	300
Miscellaneous Expenditures	11-000-251-890	1,250	(765)	485	405	80
Total Support Services Central Services		87,654	1,048	88,702	88,322	380

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

	ACCOUNT NUMBERS	JUNE 30, 2022			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Required Maintenance for School Facilities						
Salaries	11-000-261-100	109,876	(1,145)	108,731	108,731	-
Cleaning, Repair & Maintenance Services	11-000-261-420	47,750	(3,875)	43,875	42,732	1,143
General Supplies	11-000-261-610	16,500	(602)	15,898	15,898	-
Other Objects	11-000-261-800	1,850	(45)	1,805	1,805	-
Total Required Maintenance for School Facilities		175,976	(5,667)	170,309	169,166	1,143
Custodial Services:						
Salaries	11-000-262-100	52,080	(12,936)	39,144	39,144	-
Salaries of Non-Instructional Aides	11-000-262-107	32,744	37,541	70,285	70,285	-
Insurance	11-000-262-520	14,000	1,304	15,304	15,304	-
General Supplies	11-000-262-610	14,000	-	14,000	14,000	-
Energy (Natural Gas)	11-000-262-621	21,000	(10,738)	10,262	10,262	-
Energy (Electricity)	11-000-262-622	53,000	29,436	82,436	82,436	-
Total Custodial Services		186,824	44,607	231,431	231,431	-
Security						
Purchased Professional & Technical Services	11-000-266-300	5,000	(3,760)	1,240	1,240	-
Other Objects	11-000-266-800	-	2,041	2,041	2,041	-
Total Security		5,000	(1,719)	3,281	3,281	-
Total Operation & Maintenance of Plant Services		367,800	37,221	405,021	403,878	1,143
Student Transportation Services:						
Salaries of Non-instructional Aides	11-000-270-107	11,500	(7,060)	4,440	2,085	2,355
Salaries - (Between Home & School) - Regular	11-000-270-160	2,500	-	2,500	2,499	1
Cleaning, Repair & Maintenance Services	11-000-270-420	1,500	(1,060)	440	-	440
Lease Purchase Payments - School Buses	11-000-270-443	12,808	1	12,809	12,809	-
Aid in Lieu of Payments - Nonpublic	11-000-270-503	1,000	3,120	4,120	4,120	-
Contracted Services -Between Home & School- Vendors	11-000-270-512	5,000	(2,213)	2,787	2,787	-
Contracted Services -Between Home & School- Joint Agreeem:	11-000-270-513	169,321	(25,550)	143,771	143,771	-
Contracted Services -Special Education- Joint Agreements	11-000-270-515	21,611	29,463	51,074	51,074	-
Miscellaneous Purchased Services - Transportation	11-000-270-593	3,000	246	3,246	3,246	-
Transportation Supplies	11-000-270-615	2,000	(1,947)	53	-	53
Miscellaneous Expenditures	11-000-270-800	100	-	100	50	50
Total Student Transportation Services		230,340	(5,000)	225,340	222,441	2,899
Unallocated Benefits - Employee Benefits						
Group Insurance	11-000-291-210	4,000	563	4,563	3,020	1,543
Social Security Contributions	11-000-291-220	66,000	-	66,000	53,929	12,071
Other Retirement Contributions - PERS	11-000-291-241	50,001	(6,217)	43,784	41,384	2,400
Workmen's Compensation	11-000-291-260	19,592	2,289	21,881	21,881	-
Health Benefits	11-000-291-270	749,870	(61,471)	688,399	636,748	51,651
Tuition Reimbursement	11-000-291-280	10,000	(5,000)	5,000	4,434	566
Other Employee Benefits	11-000-291-290	16,905	29,610	46,515	46,515	-
Total Unallocated Benefits - Employee Benefits		916,368	(40,226)	876,142	807,911	68,231
Transfer to Cover Deficit		10,000	(10,000)	-	-	-

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

ACCOUNT NUMBERS	JUNE 30, 2022				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Nonbudgeted:					
On-Behalf TPAF Pension Contribution	-	-	-	614,418	(614,418)
On-Behalf TPAF Post-Retirement Medical Contributions	-	-	-	143,553	(143,553)
On-Behalf TPAF Long-Term Disability Insurance Contributions	-	-	-	103	(103)
Reimbursed TPAF Social Security Contributions	-	-	-	136,697	(136,697)
Total Undistributed Expenditures	<u>2,814,211</u>	<u>(500)</u>	<u>2,813,711</u>	<u>3,457,305</u>	<u>(643,594)</u>
Total Expenditures - Current Expense	<u>4,417,092</u>	<u>1,470</u>	<u>4,418,562</u>	<u>5,045,597</u>	<u>(627,035)</u>
Capital Outlay:					
Interest Deposit to Capital Reserve	10-604	150	-	150	150
Interest Earned on Maintenance Reserve	10-606	150	-	150	150
Interest Earned on Emergency Reserve	10-607	30	-	30	30
Equipment:					
Security	12-000-266-730	-	-	9,016	(9,016)
Total Equipment		<u>330</u>	<u>-</u>	<u>330</u>	<u>(8,686)</u>
Facilities Acquisition & Construction Services:					
Assessment for Debt Service on SDA Funding	12-000-400-896	1,375	-	1,375	-
Total Facilities Acquisition & Construction Services		<u>1,375</u>	<u>-</u>	<u>1,375</u>	<u>-</u>
Total Capital Outlay		<u>1,705</u>	<u>-</u>	<u>1,705</u>	<u>(8,686)</u>
Total Expenditures		<u>4,418,797</u>	<u>1,470</u>	<u>4,420,267</u>	<u>5,055,988</u>
Excess/(Deficiency) of Revenues and Expenditures and Other Financing Sources/(Uses)		(315,000)	(1,470)	(316,470)	374,816
Fund Balances, July 1		<u>1,870,509</u>	<u>-</u>	<u>1,870,509</u>	<u>1,870,509</u>
Fund Balances, June 30		<u>\$ 1,555,509</u>	<u>\$ (1,470)</u>	<u>\$ 1,554,039</u>	<u>\$ 2,245,325</u>

RECAPITULATION OF BUDGET TRANSFERS

Prior Year Reserve for Encumbrances	<u>\$ 1,470</u>
Total Budget Transfers	<u>\$ 1,470</u>

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:	
Capital Reserve	\$ 473,534
Maintenance Reserve	247,977
Emergency Reserve	100,050
Unemployment Compensation	55,030
Excess Surplus	251,657
Excess Surplus Designated for Subsequent Year's Expenditures	424,340
Assigned Fund Balance:	
Year-end Encumbrances	143
Designated for Subsequent Year's Expenditures	7,322
Unassigned Fund Balance	<u>685,272</u>
Subtotal	<u>2,245,325</u>
Reconciliation to Governmental Fund Statements (GAAP):	
Last Two State Aid Payment Not Recognized on GAAP Basis	<u>(53,203)</u>
Fund Balance per Governmental Funds (GAAP)	<u>\$ 2,192,122</u>

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

	JUNE 30, 2022				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
REVENUES					
Local Sources	\$ -	\$ 15,221	\$ 15,221	\$ 15,511	\$ 290
Federal Sources	100,846	322,328	423,174	332,228	(90,946)
Total Revenues	100,846	337,549	438,395	347,739	(90,656)
EXPENDITURES:					
Instruction:					
Salaries	87,221	19,712	106,933	90,128	16,805
Purchased Professional - Educational Services	-	19,032	19,032	17,686	1,346
Tuition	-	45,243	45,243	45,243	-
General Supplies	-	73,268	73,268	55,837	17,431
Other Objects	-	4,799	4,799	3,299	1,500
Total Instruction	87,221	162,054	249,275	212,193	37,082
Support Services:					
Salaries	-	1,900	1,900	-	1,900
Employee Benefits	8,000	7,750	15,750	10,450	5,300
Purchased Professional - Technical Services	5,625	34,874	40,499	26,374	14,125
Other Purchased Services	-	64,789	64,789	45,713	19,076
Supplies	-	17,682	17,682	12,595	5,087
Miscellaneous	-	3,000	3,000	1,000	2,000
Student Activities	-	14,500	14,500	14,332	168
Total Support Services	13,625	144,495	158,120	110,464	47,656
Facilities Acquisition & Construction Services:					
Non-Instructional Equipment	-	31,000	31,000	24,189	6,811
Total Facilities Acquisition & Construction Services:	-	31,000	31,000	24,189	6,811
Total Expenditures	100,846	337,549	438,395	346,846	91,549
Excess/(Deficiency) of Revenues					
Over/(Under) Expenditures	-	-	-	893	893
Fund Balance, July 1	27,632	-	27,632	27,632	-
Fund Balance, June 30	\$ 27,632	\$ -	\$ 27,632	\$ 28,525	\$ 893

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:

Student Activities

\$ 28,525

\$ 28,525

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 5,430,804	\$ 347,739
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year	-	6,633
Current Year	-	(23,688)
State aid revenue adjustment due to last two state aid payments not being recognized in accordance with GASB No. 33		
Prior Year	72,155	-
Current Year	(53,203)	-
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	<u>\$ 5,449,756</u>	<u>\$ 330,684</u>
Uses/Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 5,055,988	\$ 346,846
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
	-	(17,055)
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	<u>\$ 5,055,988</u>	<u>\$ 329,791</u>

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)

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**SPRINGFIELD TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST NINE FISCAL YEARS**

	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.002973%	0.003177%	0.004472%	0.007076%	0.005534%	0.006143%	0.006108%	0.005311%	0.005824%
School District's proportionate share of the net pension liability	\$ 352,143	\$ 518,134	\$ 805,835	\$ 1,393,143	\$ 1,288,287	\$ 1,819,463	\$ 1,371,217	\$ 994,362	\$ 1,113,091
School District's covered-employee payroll	253,066	244,064	321,416	414,717	385,814	413,022	421,694	383,314	385,324
School District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	139.15%	212.29%	250.71%	335.93%	333.91%	440.52%	325.17%	259.41%	288.87%
Plan fiduciary net position as a percentage of the total net pension liability	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

*The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**SPRINGFIELD TOWNSHIP PUBLIC SCHOOL DISTRICT
 SCHEDULE OF DISTRICT CONTRIBUTIONS
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM
 LAST NINE FISCAL YEARS**

	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's contractually required contribution	\$ 34,812	\$ 34,758	\$ 43,502	\$ 70,379	\$ 51,269	\$ 54,576	\$ 52,516	\$ 43,783	\$ 43,883
Contributions in relation to the contractually required contribution	(34,812)	(34,758)	(43,502)	(70,379)	(51,269)	(54,576)	(52,516)	(43,783)	(43,883)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered-employee payroll	\$ 253,066	\$ 244,064	\$ 321,416	\$ 414,717	\$ 385,814	\$ 413,022	\$ 421,694	\$ 383,314	\$ 385,324
Contributions as a percentage of covered-employee payroll	13.76%	14.24%	13.53%	16.97%	13.29%	13.21%	12.45%	11.42%	11.39%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	7,547,872	12,265,765	12,147,294	12,488,797	13,379,643	16,241,884	13,399,076	11,452,856	8,967,397
	<u>\$ 7,547,872</u>	<u>\$ 12,265,765</u>	<u>\$ 12,147,294</u>	<u>\$ 12,488,797</u>	<u>\$ 13,379,643</u>	<u>\$ 16,241,884</u>	<u>\$ 13,399,076</u>	<u>\$ 11,452,856</u>	<u>\$ 8,967,397</u>
School District's covered-employee payroll	\$ 1,882,589	\$ 1,734,515	\$ 1,697,144	\$ 2,058,191	\$ 2,085,882	\$ 2,016,217	\$ 2,124,683	\$ 2,102,662	\$ 2,064,559
School District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total net pension liability	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

*The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
TEACHERS' PENSION AND ANNUITY FUND
LAST TEN FISCAL YEARS**

This schedule is not applicable. There is a special funding situation where the State of New Jersey pays 100% of the required contributions associated with the School District.

M. Schedules Related to Accounting and Reporting for Other Post Employment Benefits (GASB 75)

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**SPRINGFIELD TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)
LAST FIVE FISCAL YEARS***

	2022	2021	2020	2019	2018
District's Total OPEB Liability					
Service Cost	\$ 475,594	\$ 313,976	\$ 357,956	\$ 404,750	\$ 489,468
Interest Cost	339,831	331,708	452,155	500,957	434,897
Difference between Expected & Actual Differences	(2,931,359)	2,971,814	(2,841,673)	(1,566,775)	-
Changes of Benefit Terms	(13,944)	-	-	-	-
Changes of Assumptions	12,924	2,826,951	138,558	(1,315,405)	(1,805,034)
Contributions: Member	8,688	8,166	8,456	10,593	11,715
Gross Benefit Payments	(267,692)	(269,426)	(285,265)	(306,509)	(318,134)
Net Change in District's Total OPEB Liability	(2,375,958)	6,183,189	(2,169,813)	(2,272,389)	(1,187,088)
District's Total OPEB Liability (Beginning)	15,476,097	9,292,908	11,462,721	13,735,110	14,922,198
District's Total OPEB Liability (Ending)	<u>\$ 13,100,139</u>	<u>\$ 15,476,097</u>	<u>\$ 9,292,908</u>	<u>\$ 11,462,721</u>	<u>\$ 13,735,110</u>
District's Covered Employee Payroll	\$ 2,135,655	\$ 1,978,579	\$ 2,018,560	\$ 2,379,607	\$ 2,500,599
District's Net OPEB Liability as a Percentage of Payroll	613%	782%	460%	482%	549%

Note - The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
YEAR ENDED JUNE 30, 2022**

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 5.40% as of June 30, 2020, to 7.00% as of June 30, 2021.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None.

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

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 2.21% as of June 30, 2020, to 2.16% as of June 30, 2021.

OTHER SUPPLEMENTARY INFORMATION

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E. Special Revenue Fund

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SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
SCHEDULE OF PROGRAM REVENUES
AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

STUDENT LOCAL ACTIVITIES	OTHER LOCAL PROGRAMS	E.S.E.A. CONSOLIDATED		REAP	CARES EMERG. RELIEF	C.R.R.S.A.		ARP ESSER III	ARP - I.D.E.A.		I.D.E.A. PRESCHOOL	I.D.E.A. BASIC	TOTALS
		TITLE I	TITLE II			TITLE IVA	LEARNING ACCEL.		MENTAL HEALTH	BASIC			
\$ 15,225	\$ 286	\$ -	\$ -	\$ -	\$ 907	\$ 103,088	\$ 8,745	\$ -	\$ 874	\$ 10,243	\$ 9,539	\$ -	\$ 15,511
-	-	55,053	11,636	22,779	907	103,088	8,745	3,539	874	10,243	9,539	72,615	332,228
15,225	286	55,053	11,636	22,779	907	103,088	8,745	3,539	874	10,243	9,539	72,615	347,739
-	-	39,603	-	-	-	5,500	8,745	-	-	-	-	36,280	90,128
-	-	-	5,136	-	-	5,000	-	7,550	-	10,243	-	35,000	17,686
-	286	5,000	-	-	-	37,016	-	12,200	-	-	-	1,335	45,243
-	-	-	3,299	-	-	-	-	-	-	-	-	-	55,837
-	-	-	-	-	-	-	-	-	-	-	-	-	3,299
-	286	44,603	-	8,435	-	47,516	8,745	19,750	-	10,243	-	72,615	212,193
-	-	10,450	-	-	-	-	-	-	-	-	-	-	10,450
-	-	-	11,636	-	-	19,395	-	4,325	874	-	9,539	-	26,374
-	-	-	-	22,779	-	10,988	-	3,539	-	-	-	-	45,713
-	-	-	700	-	907	1,000	-	1,000	-	-	-	-	12,595
14,332	-	-	-	-	-	-	-	-	-	-	-	-	1,000
-	-	-	-	-	-	-	-	-	-	-	-	-	14,332
14,332	-	10,450	11,636	700	907	31,383	-	4,325	874	-	9,539	-	110,464
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	24,189	-	-	-	-	-	24,189
-	-	-	-	-	-	-	24,189	-	-	-	-	-	24,189
14,332	286	55,053	11,636	22,779	907	103,088	8,745	3,539	874	10,243	9,539	72,615	346,846
893	-	-	-	-	-	-	-	-	-	-	-	-	893
27,632	-	-	-	-	-	-	-	-	-	-	-	-	27,632
\$ 28,525	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,525

Revenues:

Local Sources
Federal Sources

Total Revenues

Expenditures:

Instruction:
Salaries
Purchased Professional -
Educational Services
Tuition
General Supplies
Other Objects

Total Instruction

Support Services:

Employee Benefits
Purchased Professional -
Technical Services
Other Purchased Services
Supplies
Miscellaneous
Student Activities

Total Support Services

Facilities Acquisition &

Construction Services:
Non-inst. Equipment

Total Facilities Acquisition &

Construction Services

Total Expenditures

Excess/(Deficiency) of Revenues

Over/(Under) Expenditures

Fund Balance, July 1

Fund Balance, June 30

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F. Capital Projects Fund

Not Applicable

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G. Proprietary Funds

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Enterprise Funds

(See Exhibits B-4, B-5, B-6)

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Internal Service Fund

Not Applicable

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H. Fiduciary Fund

Not Applicable

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I. Long-Term Debt

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**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES DATE	AMOUNT	INTEREST RATE	BALANCE JULY 1, 2021	RETIRED	BALANCE JUNE 30, 2022
General Obligation Bonds	7/15/15	\$ 4,104,000	7/15/2022	\$ 170,000	3.000%	\$ 3,485,000	\$ 165,000	\$ 3,320,000
			7/15/2023	175,000	3.000%			
			7/15/2024	180,000	3.000%			
			7/15/2025	190,000	3.000%			
			7/15/2026	195,000	3.000%			
			7/15/2027	200,000	3.000%			
			7/15/2028	210,000	3.125%			
			7/15/2029	215,000	3.250%			
			7/15/2030	225,000	3.375%			
			7/15/2031	235,000	4.000%			
			7/15/2032	245,000	4.000%			
			7/15/2033	255,000	4.000%			
			7/15/2034	265,000	4.000%			
			7/15/2035	275,000	4.000%			
			7/15/2036	285,000	4.000%			
Total						\$ 3,485,000	\$ 165,000	\$ 3,320,000

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

DESCRIPTION	DATE OF AGREEMENT	TERM OF AGREEMENT (IN MONTHS)	AMOUNT OF ORIGINAL ISSUE		BALANCE JULY 1, 2021	RETIRED	BALANCE JUNE 30, 2022
			PRINCIPAL	INTEREST			
School Buses	8/1/2018	48	\$ 58,113	3.000%	\$ 23,780	\$ 11,594	\$ 12,186
Total					\$ 23,780	\$ 11,594	\$ 12,186

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

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Revenues:					
Local Sources:					
Local Tax Levy	\$ 282,394	\$ -	\$ 282,394	\$ 282,394	\$ -
Miscellaneous	-	-	-	2	2
Total Revenues	282,394	-	282,394	282,396	2
Expenditures:					
Regular Debt Service:					
Interest	119,319	-	119,319	119,319	-
Redemption of Principal	165,000	-	165,000	165,000	-
Total Expenditures	284,319	-	284,319	284,319	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(1,925)	-	(1,925)	(1,923)	2
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures	(1,925)	-	(1,925)	(1,923)	2
Fund Balance, July 1	2,054	-	2,054	2,054	-
Fund Balance, June 30	\$ 129	\$ -	\$ 129	\$ 131	\$ 2

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STATISTICAL SECTION (Unaudited)

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

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental Activities:										
Net Investment in Capital Assets	\$ 1,921,446	\$ 1,987,416	\$ 2,167,803	\$ 2,628,292	\$ 2,736,490	\$ 3,317,201	\$ (1,194,454)	\$ 1,820,267	\$ 1,696,128	\$ 1,277,779
Restricted	1,581,244	1,641,403	1,409,417	1,298,472	1,231,713	1,157,276	4,012,860	441,996	570,503	1,170,413
Unrestricted	(441,894)	(1,134,503)	(1,278,460)	(1,641,651)	(1,550,974)	(1,330,285)	(1,270,502)	(1,082,174)	534	3,384
Total Governmental Activities	\$ 3,060,796	\$ 2,494,316	\$ 2,298,760	\$ 2,285,113	\$ 2,417,229	\$ 3,144,192	\$ 1,547,904	\$ 1,180,089	\$ 2,267,165	\$ 2,451,576
Business-Type Activities:										
Net Investment in Capital Assets	\$ 38,652	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-	-	-	-	8,182	8,182
Unrestricted	114,546	23,732	5,781	4,349	8,179	7,664	3,296	4,331	1,761	9,004
Total Business-Type Activities	\$ 153,198	\$ 23,732	\$ 5,781	\$ 4,349	\$ 8,179	\$ 7,664	\$ 3,296	\$ 4,331	\$ 9,943	\$ 17,186
District-Wide:										
Net Investment in Capital Assets	\$ 1,960,098	\$ 1,987,416	\$ 2,167,803	\$ 2,628,292	\$ 2,736,490	\$ 3,317,201	\$ (1,194,454)	\$ 1,820,267	\$ 1,696,128	\$ 1,277,779
Restricted	1,581,244	1,641,403	1,409,417	1,298,472	1,231,713	1,157,276	4,012,860	441,996	578,685	1,178,595
Unrestricted	(327,348)	(1,110,771)	(1,272,679)	(1,637,302)	(1,542,795)	(1,322,621)	(1,267,206)	(1,077,843)	2,295	12,388
Total District Net Position	\$ 3,213,994	\$ 2,518,048	\$ 2,304,541	\$ 2,289,462	\$ 2,425,408	\$ 3,151,856	\$ 1,551,200	\$ 1,184,420	\$ 2,277,108	\$ 2,468,762

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

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 1,311,169	\$ 1,277,777	\$ 1,182,276	\$ 1,333,927	\$ 1,438,601	\$ 1,466,239	\$ 2,522,903	\$ 2,504,017	\$ 1,618,553	\$ 1,504,738
Special	487,746	399,537	496,013	474,254	505,076	574,401	313,432	313,019	343,736	383,391
Other	1,570	2,485	28,660	68,841	153,373	162,621	146,232	139,606	173,235	172,918
Support Services:										
Tuition	131,744	145,101	174,131	9,143	496	29,360	55,332	96	96,541	53,729
Student & Instruction Related Services	803,245	731,644	668,463	695,217	649,994	670,694	643,098	762,829	620,787	489,041
General & Business Administrative Services	187,952	181,504	177,482	223,962	203,125	200,400	185,337	247,127	209,148	172,637
School Administrative Services	-	-	-	-	-	-	71,450	64,252	54,683	89,791
Central Services	88,322	102,462	130,581	145,156	152,718	122,642	115,386	144,495	137,429	138,809
Plant Operations & Maintenance	403,878	353,206	369,163	401,740	380,568	377,560	379,718	466,735	373,720	357,175
Pupil Transportation	210,847	204,396	180,147	226,928	194,294	186,430	186,573	179,824	213,925	224,878
Business & Other Support Services										
Unallocated Benefits	865,564	1,072,204	719,294	1,372,972	2,717,013	1,638,409	1,046,753	915,890	1,300,987	1,334,755
On-Behalf TPAF & Soc. Sec. Contributions	314,302	903,831	836,695	864,176	-	-	-	-	-	-
Transfers to Charter Schools	-	8,873	-	-	-	-	-	-	-	-
Special Schools	-	-	-	-	-	-	-	-	-	8,026
Interest on Long-Term Debt	118,426	123,369	128,162	132,813	137,455	147,587	128,667	-	-	-
Unallocated Depreciation	369,677	362,017	376,296	363,951	954,138	76,082	76,081	69,162	168,860	28,388
Total Governmental Activities Expenses	5,294,442	5,868,406	5,467,363	6,313,080	7,486,851	5,652,425	5,870,962	5,807,052	5,311,604	4,960,276
Business-Type Activities:										
Food Service	171,442	105,898	54,711	66,634	70,065	85,710	114,738	98,373	101,495	111,768
Summer Camp	-	-	4,300	6,180	-	-	-	-	-	-
Total Business-Type Activities Expense	171,442	105,898	59,011	72,814	70,065	85,710	114,738	98,373	101,495	111,768
Total District Expenses	\$ 5,465,884	\$ 5,974,304	\$ 5,526,374	\$ 6,385,894	\$ 7,556,916	\$ 5,738,135	\$ 5,985,700	\$ 5,905,425	\$ 5,413,099	\$ 5,072,044
Revenues:										
Operating Grants & Contributions	\$ 913,854	\$ 1,579,556	\$ 963,116	\$ 1,394,975	\$ 1,956,174	\$ 1,287,787	\$ 1,087,399	\$ 1,082,973	\$ 128,055	\$ 158,692
Total Governmental Activities Program Revenues	913,854	1,579,556	963,116	1,394,975	1,956,174	1,287,787	1,087,399	1,082,973	128,055	158,692

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

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Business-Type Activities:										
Charges for Services:										
Food Service	61,006	4,961	30,537	38,504	40,976	52,439	58,952	59,042	61,914	68,503
Summer Camp	-	-	6,375	7,075	-	-	-	-	-	-
Operating Grants & Contributions	196,493	118,858	23,458	23,371	29,558	37,611	39,721	33,712	32,324	29,622
Total Business Type Activities Program Revenues	257,499	123,819	60,370	68,950	70,534	90,050	98,673	92,754	94,238	98,125
Total District Program Revenues	\$ 1,171,353	\$ 1,703,375	\$ 1,023,486	\$ 1,463,925	\$ 2,026,708	\$ 1,377,837	\$ 1,186,072	\$ 1,175,727	\$ 222,293	\$ 256,817
Net/(Expense)/Revenue:										
Governmental Activities	\$ (4,380,588)	\$ (4,288,850)	\$ (4,504,247)	\$ (4,918,105)	\$ (5,530,677)	\$ (4,364,638)	\$ (4,783,563)	\$ (4,724,079)	\$ (5,183,549)	\$ (4,801,584)
Business-Type Activities	86,057	17,921	1,359	(3,864)	469	4,340	(16,065)	(5,619)	(7,257)	(13,643)
Total District-Wide Net Expense	\$ (4,294,531)	\$ (4,270,929)	\$ (4,502,888)	\$ (4,921,969)	\$ (5,530,208)	\$ (4,360,298)	\$ (4,799,628)	\$ (4,729,698)	\$ (5,190,806)	\$ (4,815,227)
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
County Appropriations	\$ 3,618,801	3,444,877	3,399,585	3,550,782	3,542,964	3,451,384	3,472,249	3,450,249	3,382,597	3,316,272
Unrestricted Grants & Contributions	1,164,884	891,848	1,052,812	1,149,388	1,197,873	2,439,288	1,630,056	1,268,361	1,595,786	1,612,938
Tuition Received	35,257	23,316	36,452	47,248	61,171	60,472	31,925	-	-	-
Investment Earnings	-	-	-	-	-	1,774	76	40	252	125
Miscellaneous Income	34,218	53,068	29,045	38,571	79,399	8,008	32,072	31,444	20,503	18,370
Other Financing Sources - Transfers, Miscellaneous / Other	-	-	-	-	(77,693)	-	(15,000)	-	-	-
Total Governmental Activities	4,853,160	4,413,109	4,517,894	4,785,989	4,803,714	5,960,926	5,151,378	4,750,094	4,999,138	4,947,705
Business-type Activities	42	30	73	34	46	28	15,030	7	14	15
Total District-Wide	\$ 4,853,202	\$ 4,413,139	\$ 4,517,967	\$ 4,786,023	\$ 4,803,760	\$ 5,960,954	\$ 5,166,408	\$ 4,750,101	\$ 4,999,152	\$ 4,947,720
Change in Net Position:										
Governmental Activities	\$ 472,572	\$ 124,259	\$ 13,647	\$ (132,116)	\$ (726,963)	\$ 1,596,288	\$ 367,815	\$ 26,015	\$ (184,411)	\$ 146,121
Business-Type Activities	86,099	17,951	1,432	(3,830)	515	4,368	(1,035)	(5,612)	(7,243)	(13,628)
Total District	\$ 558,671	\$ 142,210	\$ 15,079	\$ (135,946)	\$ (726,448)	\$ 1,600,656	\$ 366,780	\$ 20,403	\$ (191,654)	\$ 132,493

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
FUND BALANCES AND GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
FISCAL YEAR ENDING JUNE 30,										
General Fund:										
Restricted for:										
Capital Reserve	\$ 473,534	\$ 473,473	\$ 288,274	\$ 66,286	\$ 66,121	\$ 65,956	\$ 65,736	\$ 65,660	\$ 40,620	\$ 539,618
Maintenance Reserve	247,977	247,790	246,478	206,299	202,203	101,948	101,800	26,800	26,800	10,000
Emergency Reserve	100,050	100,050	100,050	100,000	100,000	-	-	-	-	-
Unemployment Compensation	55,030	51,064	-	-	-	-	-	-	-	-
Excess Surplus	251,657	424,340	315,000	315,000	313,197	253,255	212,786	32,669	92,174	139,565
Excess Surplus Designated for										
Subsequent Year's Expenditures	424,340	315,000	315,000	313,197	253,255	212,786	83,047	92,174	139,565	396,937
Assigned for:										
Year-end Encumbrances	143	1,470	22,410	29,226	-	9,952	3,835	253,050	163,972	84,293
Subsequent Year's Budget	7,322	-	1,160	2,030	-	2,262	283,372	-	107,372	-
Unassigned	632,069	185,167	162,703	142,461	137,837	133,926	135,717	181,602	131,944	140,151
Total General Fund	\$ 2,192,122	\$ 1,798,354	\$ 1,451,075	\$ 1,174,499	\$ 1,072,613	\$ 780,085	\$ 886,293	\$ 651,955	\$ 702,447	\$ 1,310,564
All Other Governmental Funds:										
Restricted, Reported in:										
Special Revenue Fund	\$ 28,525	\$ 27,632	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Projects Fund	-	-	-	-	-	516,044	3,262,284	(78,735)	-	-
Debt Service Fund	131	2,054	144,615	297,690	296,937	7,287	5,733	-	-	-
Total All Other Governmental Funds	\$ 28,656	\$ 29,686	\$ 144,615	\$ 297,690	\$ 296,937	\$ 523,331	\$ 3,268,017	\$ (78,735)	\$ -	\$ -

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenues:										
Tax Levy	\$ 3,618,801	\$ 3,444,877	\$ 3,399,585	\$ 3,550,782	\$ 3,542,964	\$ 3,451,384	\$ 3,472,249	\$ 3,450,249	\$ 3,382,597	\$ 3,316,272
Tuition Charges	35,257	23,316	36,452	47,248	61,171	60,472	31,925	-	-	-
Interest Earnings	248	429	330	300	718	1,774	76	40	252	125
Miscellaneous	33,970	52,639	28,715	38,271	78,681	8,008	31,903	31,444	20,503	18,370
State Sources	2,059,655	1,643,851	1,743,460	1,863,422	1,830,951	3,614,802	2,143,538	1,713,696	1,596,326	1,613,504
Federal Sources	314,905	199,952	155,724	147,439	159,682	112,273	117,901	135,980	127,515	158,126
Total Revenue	6,062,836	5,365,064	5,364,266	5,647,462	5,674,167	7,248,713	5,797,612	5,331,409	5,127,193	5,106,397
Expenditures:										
Instruction:										
Regular Instruction	1,311,169	1,277,777	1,182,276	1,333,927	1,438,601	1,466,239	2,522,903	2,504,017	1,618,553	1,504,738
Special Education Instruction	487,746	399,537	496,013	474,254	505,076	574,401	313,432	313,019	343,736	385,391
Other Instruction	1,570	2,485	28,660	68,841	153,373	162,621	146,232	139,606	173,235	172,918
Support Services:										
Tuition	131,744	145,101	174,131	9,143	496	29,360	55,332	96	96,541	53,729
Student & Instruction Related Services	803,245	731,644	668,463	695,217	649,994	670,694	643,098	762,829	620,787	489,041
General & Business Administration Services	187,952	181,504	177,482	223,962	203,125	200,400	183,962	245,752	207,773	172,637
School Administrative Services							71,450	64,252	54,683	89,791
Central Services	88,322	102,462	130,581	145,156	152,718	122,642	115,386	144,495	137,429	138,809
Plant Operations & Maintenance	403,878	353,206	379,657	401,740	380,568	377,560	372,350	466,735	373,720	357,175
Pupil Transportation	210,847	204,396	180,147	226,928	194,294	186,430	186,573	179,824	213,925	224,878
Other Support Services	818,361	737,824	812,219	961,677	903,024	948,482	520,870	445,335	1,306,344	1,291,334
On-Behalf TPAF Pension & Soc. Sec. Contr.	894,771	752,003	690,648	714,034	633,078	561,120	-	-	-	-
Special Schools							-	-	-	1,375
Capital Outlay	33,205	10,600	35,194	58,113	27,490	4,587,737	1,174,103	194,676	588,584	8,026
Debt Service:										
Principal	176,594	171,030	155,000	155,000	149,000	-	-	-	-	-
Interest & Other Charges	120,694	125,569	130,294	134,944	139,503	211,921	-	-	-	-
Total Expenditures	5,670,098	5,195,138	5,240,765	5,602,936	5,530,340	10,099,607	6,305,691	5,460,636	5,735,310	4,889,842
Excess (Deficiency) of Revenues Over/(Under) Expenditures	392,738	169,926	123,501	44,526	143,827	(2,850,894)	(508,079)	(129,227)	(608,117)	216,555
Other Financing Sources/(Uses):										
Bond Proceeds	-	-	-	58,113	(77,693)	-	4,104,169	-	-	-
Transfers Out	-	-	-	-	-	-	(15,000)	-	-	-
Transfers to Charter Schools	-	(8,873)	-	-	-	-	-	-	-	-
Total Other Financing Sources/(Uses)	-	(8,873)	-	58,113	(77,693)	-	4,089,169	-	-	-
Net Change in Fund Balances	\$ 392,738	\$ 161,053	\$ 123,501	\$ 102,639	\$ 66,134	\$ (2,850,894)	\$ 3,581,090	\$ (129,227)	\$ (608,117)	\$ 216,555
Debt Service as a Percentage of Noncapital Expenditures	5.27%	5.72%	5.48%	5.23%	5.24%	3.84%	0.00%	0.00%	0.00%	0.00%

Source: District Records
 Note: Noncapital expenditures are total expenditures less capital outlay.

**SPRINGFIELD TOWNSHIP BOARD OF EDUCATION
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

FISCAL YEAR ENDING JUNE 30,	INTEREST ON INVESTMENTS	SUMMER TRANSPORTATION FEES	PRIOR YEAR REFUNDS	PRIOR YEAR OUTSTANDING CHECKS	SHIF DIVIDEND	TUITION	MISCELLANEOUS	TOTAL
2022	\$ 1,464	\$ -	\$ 1,300	-	\$ 4,119	\$ -	11,306	\$ 18,189
2021	2,393	-	4,852	-	20,412	7,822	4,695	40,174
2020	2,452	-	7,131	-	-	-	17,207	26,790
2019	3,395	-	27,944	-	-	-	6,179	37,518
2018	1,995	-	975	-	-	42,658	26,053	71,681
2017	2,082	2,015	-	2,808	-	-	1,103	8,008
2016	3,620	-	5,065	2,668	-	-	14,817	26,170
2015	1,075	-	-	-	-	28,402	1,967	31,444
2014	975	-	4,703	-	-	-	14,825	20,503
2013	1,425	-	-	-	-	-	16,945	18,370

Source: District records

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET VALUATION TAXABLE	TAX EXEMPT PROPERTY	TOTAL DIRECT SCHOOL RATIO ^b	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
2022	\$ 7,635,300	\$ 283,327,200	\$ 49,368,800	\$ 6,859,900	\$ 39,352,400	\$ 386,543,600	\$ 910,471	\$ 387,454,071	\$ 44,241,720	0.878	\$ 470,694,916
2021	7,544,500	283,098,600	49,033,600	6,932,500	39,738,430	386,347,630	886,408	387,234,038	42,282,850	0.935	443,369,202
2020	8,160,100	282,856,300	48,146,700	6,835,900	40,164,230	386,163,230	886,408	387,049,638	42,013,250	0.890	446,732,396
2019	8,545,600	281,147,900	48,502,700	7,016,500	39,600,630	384,813,330	919,229	385,732,559	42,208,250	0.882	422,641,962
2018	8,363,000	279,399,200	50,542,200	7,245,940	39,591,530	385,141,870	915,705	386,057,575	41,320,750	0.920	426,648,955
2017	8,087,100	278,881,500	50,180,000	7,001,900	40,198,430	384,348,930	907,931	385,256,861	41,194,250	0.920	421,641,864
2016	8,249,050	280,081,300	48,562,500	7,491,860	39,312,130	383,696,840	969,755	384,666,595	40,875,950	0.898	401,868,515
2015	8,960,950	280,027,800	48,404,200	8,247,250	39,626,130	385,266,330	1,042,493	386,308,823	40,390,550	0.899	391,454,551
2014	10,200,450	285,013,000	46,312,500	8,516,310	40,271,630	390,313,890	941,780	391,255,670	37,256,620	0.882	399,666,076
2013	9,148,800	319,406,300	58,130,350	8,141,325	44,744,730	439,571,505	1,059,877	440,631,382	34,260,110	1.547	N/A

Source: Abstract of Ratables Burlington County, Burlington County Abstract of Ratables

Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation. Reassessment occurs when ordered by the County Board of Taxation

- a. Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies
- b. Tax rates are per \$100
- N/A - Not Available

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

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES			TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	REGIONAL SCHOOL	TOTAL DIRECT	TOWNSHIP OF SPRINGFIELD	REGIONAL SCHOOL	BURLINGTON COUNTY	
2022	0.878	N/A	0.878	0.749	0.889	0.457	2.973
2021	0.935	N/A	0.935	0.719	0.889	0.448	2.991
2020	0.890	N/A	0.890	0.691	0.945	0.457	2.983
2019	0.882	N/A	0.882	0.673	0.989	0.437	2.981
2018	0.920	N/A	0.920	0.623	0.993	0.443	2.979
2017	0.920	N/A	0.920	0.591	1.012	0.445	2.968
2016	0.898	N/A	0.898	0.547	1.083	0.426	2.954
2015	0.899	N/A	0.899	0.532	1.000	0.415	2.846
2014	0.882	N/A	0.882	0.487	0.925	0.392	2.686
2013	0.769	0.778	1.547	0.416	0.778	0.353	3.094

Source: Burlington County Board of Taxation

**SPRINGFIELD TOWNSHIP BOARD OF EDUCATION
 PRINCIPAL PROPERTY TAX PAYERS,
 CURRENT YEAR AND NINE YEARS AGO**

TAXPAYER	2022		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Columbus Farmers Market			
Helis Enterprise			
Transcontinental Pipeline			
NJ Land			
Milo Corporation			
Interstate Storage & Pipeline			
K&P Ganesh Corporation			
Store & Lock Self Storage			
Verizon			
Taxpayer #1			
Total			

INFORMATION NOT AVAILABLE

TAXPAYER	2013		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Columbus Farmers Market			
Milo Corporation			
Helis Enterprise			
Transcontinental Pipeline			
K&P Ganesh Corporation			
Taxpayer #1			
NJ Land			
Verizon			
Store & Lock Self Storage			
Interstate Storage & Pipeline			
Total			

INFORMATION NOT AVAILABLE

Source: Municipal Tax Assessor

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
TOTAL PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED DECEMBER 31,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2022	\$ 3,618,801	\$ 3,618,801	100.00%	-
2021	3,444,877	3,444,877	100.00%	-
2020	3,399,585	3,399,585	100.00%	-
2019	3,550,782	3,550,782	100.00%	-
2018	3,542,964	3,542,964	100.00%	-
2017	3,451,384	3,451,384	100.00%	-
2016	3,472,249	3,472,249	100.00%	-
2015	3,450,249	3,450,249	100.00%	-
2014	3,382,597	3,382,597	100.00%	-
2013	3,316,272	3,316,272	100.00%	-

Source: Municipal Financial Statements

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Dollars in Thousands, Except per Capita)

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES			TOTAL DISTRICT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA
	GENERAL OBLIGATION BONDS	FINANCD PURCHASES				
2022	\$ 3,320,000	\$ 12,186	\$ 3,332,186	N/A	N/A	
2021	3,485,000	23,780	3,508,780	N/A	1,087	
2020	3,645,000	34,810	3,679,810	1.69%	1,132	
2019	3,800,000	45,304	3,845,304	1.86%	1,180	
2018	3,955,000	-	3,955,000	1.98%	1,211	
2017	4,104,000	-	4,104,000	2.11%	1,253	
2016	4,104,000	-	4,104,000	2.16%	1,244	
2015	-	-	-	N/A	N/A	
2014	-	-	-	N/A	N/A	
2013	-	-	-	N/A	N/A	

Note: 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.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING			NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	DEDUCTIONS				
2022	\$ 3,320,000	\$ -		\$ 3,320,000	0.86%	N/A
2021	3,485,000	-		3,485,000	0.90%	1,080
2020	3,645,000	-		3,800,000	0.98%	1,169
2019	3,800,000	-		3,800,000	0.99%	1,166
2018	3,955,000	-		3,955,000	1.02%	1,211
2017	4,104,000	-		4,104,000	1.07%	1,253
2016	4,104,000	-		4,104,000	1.07%	1,244
2015	-	-		-	0.00%	N/A
2014	-	-		-	0.00%	N/A
2013	-	-		-	0.00%	N/A

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

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Township of Springfield	\$ 9,033,154	100.000%	\$ 9,033,154
Burlington County General Obligation Debt	182,924,161	0.900%	1,645,831
Northern Burlington County Regional School District	45,565,000	14.909%	6,793,372
Subtotal, Overlapping Debt			17,472,357
Springfield Township School District Direct Debt			3,320,000
Total Direct & Overlapping Debt			<u>\$ 20,792,357</u>

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

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Dollars in Thousands)**

	FISCAL YEAR									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Debt Limit	\$ 11,263,039	\$ 10,867,890	\$ 10,723,390	\$ 10,521,604	\$ 10,359,200	\$ 10,114,141	\$ 9,945,272	\$ 10,028,456	\$ 10,299,429	\$ 10,799,601
Total Net Debt Applicable to Limit	3,320,000	3,485,000	3,645,000	3,800,000	3,955,000	4,104,000	4,104,000	-	-	-
Legal Debt Margin	\$ 7,943,039	\$ 7,382,890	\$ 7,078,390	\$ 6,721,604	\$ 6,404,200	\$ 6,010,141	\$ 5,841,272	\$ 10,028,456	\$ 10,299,429	\$ 10,799,601

Total Net Debt Applicable to the Limit
as a Percentage of Debt Limit

	29.48%	32.07%	33.99%	36.12%	38.18%	40.58%	41.27%	0.00%	0.00%	0.00%
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Legal Debt Margin Calculation for Fiscal Year 2022

	Equalized Valuation Basis
	2021 \$ 468,016,511
	2020 440,724,983
	2019 442,823,165
	<u>\$ 1,351,564,659</u>
	<u>\$ 450,521,553</u>
Average Equalized Valuation of Taxable Property	\$ 11,263,039
Debt Limit (2.5 % of Average Equalization Value)	<u>3,320,000</u>
Net Bonded School Debt	<u>\$ 7,943,039</u>
Legal Debt Margin	<u>\$ 7,943,039</u>

Source:
Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation. Limit set by N.J.S.A.18A:24-19 for K through 12 district; other % limits would be applicable for other districts.

**SPRINGFIELD 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)
2021	3,228	Unavailable	Unavailable	4.2%
2020	3,251	218,317,654	67,154	7.6%
2019	3,258	206,974,224	63,528	3.0%
2018	3,267	199,744,380	61,140	3.4%
2017	3,276	194,171,796	59,271	3.8%
2016	3,298	189,908,734	57,583	5.1%
2015	3,321	185,726,925	55,925	6.0%
2014	3,355	179,734,060	53,572	6.1%
2013	3,370	174,036,910	51,643	8.9%
2012	3,393	173,043,000	51,000	8.5%

Source:

- (a) Population information provided by the NJ Department of Labor & Workforce Development
 (b) Personal income calculated using population and per capita personal income
 (c) Per Capita personal income provided by the NJ Department of Labor & Workforce Development
 (d) Unemployment data provided by the NJ Department of Labor & Workforce Development

**PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

	2022		
	EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT
Springfield Township School District	INFORMATION NOT AVAILABLE		
Total			
	2013		
	EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT
Springfield Township School District	INFORMATION NOT AVAILABLE		
Total			

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN YEARS**

FUNCTION/PROGRAM	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Instruction:										
Regular	15.40	14.40	15.70	17.60	18.90	19.30	19.40	32.95	32.95	32.65
Special Education	10.80	10.56	10.93	6.00	12.46	12.16	12.94	-	-	-
Other Special Education	-	-	-	2.00	-	-	1.67	-	-	-
Other Instruction	-	-	-	1.00	-	-	0.33	-	-	-
Support Services:										
Student & Instructional Related Services	6.60	4.00	4.00	4.50	7.00	7.00	7.63	5.80	5.80	5.80
School Administration Services	2.00	2.00	3.00	2.25	-	-	-	2.40	2.40	1.90
General & Business Administrative Services	1.40	2.00	2.00	2.00	2.10	2.10	1.83	1.70	1.70	1.70
Plant Operations & Maintenance	3.20	3.38	3.63	3.50	4.30	4.30	4.99	4.10	4.10	4.10
Pupil Transportation	-	0.50	0.05	0.05	0.05	0.05	0.10	0.90	0.90	0.90
Business & Other Support Services	-	-	-	-	-	-	-	-	-	-
Total	39.40	36.84	39.31	38.90	44.81	44.91	48.89	47.85	47.85	47.05

Source: District Records

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	ENROLLMENT	OPERATING EXPENDITURES	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF	TEACHER / PUPIL RATIO	AVERAGE DAILY ENROLLMENT (ADE)	AVERAGE DAILY ATTENDANCE (ADA)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
2022	248	5,045,597	20,345	0.18%	22	1:11	259.7	236.2	13.01%	90.95%
2021	231	4,691,376	20,309	-1.56%	25	1:9	229.8	219.8	-5.43%	95.64%
2020	232	4,786,448	20,631	-7.09%	30	1:7	243.0	240.5	7.24%	98.97%
2019	230	5,107,440	22,206	-3.22%	29	1:8	226.6	217.3	4.62%	95.90%
2018	220	5,047,665	22,944	5.70%	29	1:7	216.6	206.0	-8.53%	95.11%
2017	239	5,187,676	21,706	-2.16%	33	1:7	236.8	225.4	-3.19%	95.19%
2016	227	5,036,055	22,185	3.36%	33	1:7	244.6	234.5	0.00%	95.87%
2015	239	5,129,980	21,464	7.35%	33	1:7	244.6	234.5	0.00%	95.87%
2014	251	5,018,671	19,995	11.99%	33	1:7	244.6	235.8	-6.75%	96.40%
2013	265	4,731,150	17,853	9.64%	33	1:8	262.3	252.1	-8.86%	96.11%

Source: District Records

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS**

DISTRICT BUILDINGS	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Elementary Schools:										
Springfield Township Elementary (1939):										
Square Feet	43,320	43,320	43,320	43,320	43,320	43,320	43,320	43,320	43,320	43,320
Capacity (Students)	432	432	432	432	432	432	432	432	432	433
Enrollment	248	231	232	230	220	239	227	239	251	265
Other Buildings:										
Athletic Building (1979)										
Square Feet	4,120	4,120	4,120	4,120	4,120	4,120	4,120	4,120	4,120	4,120

Number of Schools at June 30, 2022:

Elementary = 1

Other = 1

Source: School Year Attendance: Totals for STES in 2021-2022 (Enrollment)

Form M-1 (Building Square Footage)

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS**

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

*	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	TOTAL
Springfield School	\$ 169,166	\$ 166,933	\$ 175,239	\$ 168,235	\$ 163,831	\$ 150,000	\$ 162,610	\$ 247,137	\$ 163,647	\$ 138,224	\$ 141,774

Source: District records

**INSURANCE SCHEDULE
JUNE 30, 2022**

	COVERAGE	RETENTION	DEDUCTIBLE
School Package Policy (1):			
Building & Contents (All Locations) - Limits of Liability per Occurrence	\$174,749,500	\$ 250,000	\$ 500
Boiler & Machinery	125,000,000	-	1,000
General Automobile Liability	14,750,000	250,000	-
Workers' Compensation	Statutory	250,000	-
Crime Coverage	249,500	250,000	500
Educators Legal Liability	14,750,000	175,000	-
Pollution Legal Liability	3,000,000	-	25,000
Volunteer Accident & Health (2)	1,000,000	-	-
Surety Bonds (3)			
Treasurer	160,000	-	-
Board Secretary	100,000	-	-

(1) Burlington County Insurance Pool Joint Insurance Fund (BCIPJIF)

(2) National Union Fire Insurance

(3) Selective Insurance Company

Source: District records

SINGLE AUDIT SECTION

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HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

EXHIBIT K-1

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable President and Members
of the Board of Education
Springfield Township School District
County of Burlington
Springfield, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Springfield Township School District (the "School District") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated March 27, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control.

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

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

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deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLT MCNALLY & ASSOCIATES, INC.

Certified Public Accountants & Advisors

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

Medford, New Jersey
March 27, 2023



HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

EXHIBIT K-2

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM
GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08**

Honorable President and Members
of the Board of Education
Springfield Township School District
County of Burlington
Springfield, New Jersey

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the Springfield Township School District’s (the “School District”) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the School District’s major state programs for the fiscal year ended June 30, 2022. The School District’s major state programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major State Program

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

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

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Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individual or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with generally accepted accounting standards, *Government Auditing Standards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, we:

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

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

Other Matters

The results of our auditing procedures disclosed one instance of noncompliance which is required to be reported in accordance with New Jersey OMB's Circular 15-08 and which is described in the accompanying schedule of findings and questioned costs as Finding No. 2022-001. Our opinion on each major state program is not modified with respect to this matter.

School District's Response to Findings

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

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 state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a 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 state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

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

Respectfully Submitted,

HOLT MCNALLY & ASSOCIATES, INC
Certified Public Accountants & Advisors

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

Medford, New Jersey
March 27, 2023

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SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

FEDERAL GRANTOR/PASS THROUGH GRANTOR/ PROGRAM TITLE OR CLUSTER	ASSISTANCE LISTING NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	PASS THROUGH ENTITY IDENTIFYING NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2021	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	(ACCOUNTS RECEIVABLE) 2022	UNEARNED REVENUE 2022
U.S. Department of Agriculture											
Passed Through New Jersey Department of Agriculture:											
Child Nutrition Cluster:											
COVID-19 School Breakfast Program	10.553	221NJ304N1099	100-010-3350-028	\$ 47,434	7/1/21-6/30/22	\$ (3,765)	\$ 44,318	\$ (47,434)	\$ -	\$ (3,116)	\$ -
COVID-19 School Breakfast Program	10.553	211NJ304N1099	100-010-3350-028	33,158	7/1/20-6/30/21	(3,765)	3,765	-	-	-	-
Subtotal						(7,209)	48,083	(47,434)	-	(3,116)	-
COVID-19 National School Lunch Program	10.555	221NJ304N1099	100-010-3350-026	133,232	7/1/21-6/30/22	-	123,017	(133,232)	-	(10,215)	-
COVID-19 National School Lunch Program	10.555	211NJ304N1099	100-010-3350-026	79,909	7/1/20-6/30/21	(9,400)	9,400	-	-	-	-
COVID-19 Healthy Hunger-Free Kids Act	10.555	211NJ304N1099	100-010-3350-026	1,594	7/1/20-6/30/21	(187)	187	-	-	-	-
COVID-19 Emergency Operating Costs	10.555	221NJ304N1099	100-010-3350-112	989	7/1/21-6/30/22	-	989	(989)	-	-	-
Food Distribution Program (Noncash Assistance)	10.555	221NJ304N1099	Unavailable	9,029	7/1/21-6/30/22	-	9,029	(4,319)	-	-	4,710
Food Distribution Program (Noncash Assistance)	10.555	211NJ304N1099	Unavailable	6,143	7/1/20-6/30/21	6,143	-	(6,143)	-	-	-
Subtotal						(3,444)	142,622	(144,683)	-	(10,215)	4,710
Total Child Nutrition Cluster						(7,209)	190,705	(192,117)	-	(13,331)	4,710
Pandemic EBT Administrative Costs	10.649	202121S900941	100-010-3350-115	1,242	7/1/21-6/30/22	-	1,242	(1,242)	-	-	-
Total U.S. Department of Agriculture						(7,209)	191,947	(193,359)	-	(13,331)	4,710
U.S. Department of Education											
Passed Through New Jersey Department of Education:											
I.D.E.A. Part B (Special Education Cluster):											
Basic	84.027A	H027A210100	100-034-5065-016	72,615	7/1/21-9/30/22	-	31,490	(72,615)	-	(41,125)	-
Basic	84.027A	H027A200100	100-034-5065-016	75,076	7/1/20-9/30/21	(43,054)	43,054	-	-	-	-
COVID-19 ARP - Basic	84.027X	H027X210100	100-034-5065-094	10,243	7/1/21-9/30/22	(43,054)	74,544	(82,858)	-	(10,243)	-
Subtotal						-	-	-	-	(51,368)	-
Preschool	84.173	H173A210114	100-034-5065-020	9,539	7/1/21-9/30/22	(3,706)	3,706	(9,539)	-	(9,539)	-
Preschool	84.173	H173A200114	100-034-5065-020	10,211	7/1/20-9/30/21	-	-	(874)	-	(874)	-
COVID-19 ARP - Preschool	84.173X	H173X210114	100-034-5065-095	874	7/1/21-9/30/22	(3,706)	3,706	(10,413)	-	(10,413)	-
Subtotal						(46,760)	78,250	(93,271)	-	(61,781)	-
Total Special Education Cluster						-	-	-	-	(41,066)	-
Title I - Part A	84.010	S010A210030	100-034-5064-194	60,353	7/1/21-9/30/22	(11,347)	13,987	(55,053)	-	(41,066)	-
Title I - Part A	84.010	S010A200030	100-034-5064-194	42,873	7/1/20-9/30/21	(1,347)	11,347	-	-	-	-
Subtotal						(11,347)	25,334	(55,053)	-	(41,066)	-
Title II - Part A, Supporting Effective Instruction	84.367A	S367A210029	100-034-5063-290	11,636	7/1/21-9/30/22	-	6,411	(11,636)	-	(5,225)	-
Title II - Part A, Supporting Effective Instruction	84.367A	S367A200029	100-034-5063-290	14,167	7/1/20-9/30/21	(14,157)	14,157	-	-	-	-
Subtotal						(14,157)	20,568	(11,636)	-	(5,225)	-
Title IV - Part A	84.424A	S424A210031	100-034-5063-348	14,544	7/1/21-9/30/22	-	3,550	(9,135)	-	(5,585)	-
Title IV - Part A	84.424A	S424A200031	100-034-5063-348	18,546	7/1/20-9/30/21	(8,979)	8,979	-	-	-	-
Subtotal						(8,979)	12,529	(9,135)	-	(5,585)	-
Rural Education Achievement Program	84.358	S358A210030	Unavailable	23,492	7/1/21-6/30/22	-	22,430	(22,779)	-	(349)	-
Rural Education Achievement Program	84.358	S358A200030	Unavailable	20,732	7/1/20-6/30/21	(16,990)	16,990	-	-	-	-
Subtotal						(16,990)	39,420	(22,779)	-	(349)	-
Education Stabilization Fund						(3,437)	-	(907)	-	(4,344)	-
COVID-19 CARES Emergency Relief Program	84.425D	S425D200027	100-034-5120-513	33,264	3/13/20-9/30/22	-	-	(103,088)	-	(25,152)	-
COVID-19 CARES ESSER II	84.425D	S425D210027	100-034-5120-518	128,972	3/13/20-9/30/23	-	77,936	(8,745)	-	-	-
COVID-19 CARES Learning Acceleration	84.425D	S425D210027	100-034-5120-518	25,000	3/13/20-9/30/23	-	8,745	(24,075)	-	(500)	-
COVID-19 CARES Mental Health	84.425D	S425D210027	100-034-5120-518	45,000	3/13/20-9/30/23	-	23,575	(24,075)	-	(500)	-
COVID-19 CARES ESSER III	84.425U	S425U210027	100-034-5120-523	289,856	3/13/20-9/30/24	(3,437)	110,256	(140,354)	-	(33,535)	-
Subtotal						(101,670)	286,357	(332,228)	-	(147,541)	-
Total U.S. Department of Education						\$ (108,879)	\$ 478,304	\$ (525,587)	\$ -	\$ (160,872)	\$ 4,710
Total Expenditures of Federal Awards											

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

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

STATE GRANTOR/PROGRAM TITLE OR CLUSTER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2021	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	ACCOUNTS RECEIVABLE	BALANCE JUNE 30, 2022	UNEARNED REVENUE	MEMO	
											BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
New Jersey Department of Education:												
General Fund:												
State Aid-Public:												
Equalization Aid	495-034-5120-078	\$ 389,018	7/1/21-6/30/22	\$ -	\$ 389,018	\$ (389,018)	\$ -	\$ -	\$ -	\$ -	\$ 29,124	\$ 389,018
Security Aid	495-034-5120-084	22,357	7/1/21-6/30/22	-	22,357	(22,357)	-	-	-	-	1,674	22,357
Special Education Categorical Aid	495-034-5120-089	159,516	7/1/21-6/30/22	-	159,516	(159,516)	-	-	-	-	11,942	159,516
Total State Aid-Public					570,891	(570,891)					42,740	570,891
Transportation Aid	495-034-5120-014	139,769	7/1/21-6/30/22	-	139,769	(139,769)	-	-	-	-	10,463	139,769
Additional Nonpublic School Transportation Aid	495-034-5120-014	1,160	7/1/21-6/30/22	-	-	(1,160)	-	(1,160)	-	-	-	1,160
Additional Nonpublic School Transportation Aid	495-034-5120-014	290	7/1/20-6/30/21	(290)	290	-	-	-	-	-	-	-
Maintenance of Equity State Aid	495-034-5120-128	388,080	7/1/21-6/30/22	-	-	(388,080)	-	(388,080)	-	-	-	388,080
Extraordinary Aid	495-034-5120-044	46,032	7/1/21-6/30/22	-	-	(46,032)	-	(46,032)	-	-	-	46,032
Extraordinary Aid	495-034-5120-044	7,032	7/1/20-6/30/21	(7,032)	7,032	-	-	-	-	-	-	-
Reimbursed TPAF Social Security Contributions	495-034-5094-003	136,697	7/1/21-6/30/22	-	129,879	(136,697)	-	(6,818)	-	-	-	136,697
Reimbursed TPAF Social Security Contributions	495-034-5094-003	141,094	7/1/20-6/30/21	(6,733)	6,733	-	-	-	-	-	-	-
TPAF - Post Retirement Medical Contributions (Noncash Assistance)	495-034-5094-001	143,553	7/1/21-6/30/22	-	143,553	(143,553)	-	-	-	-	-	143,553
TPAF - Normal Pension Contributions (Noncash Assistance)	495-034-5094-002	614,418	7/1/21-6/30/22	-	614,418	(614,418)	-	-	-	-	-	614,418
TPAF - Long-Term Disability Insurance Contributions (Noncash Assistance)	495-034-5094-004	103	7/1/21-6/30/22	-	103	(103)	-	-	-	-	-	103
Total General Fund				(14,055)	1,612,668	(2,040,703)		(442,090)			53,203	2,040,703
Special Revenue Fund:												
Emergent and Capital Maintenance Needs	Unavailable	4,555	7/1/21-6/30/23	-	4,555	-	-	-	-	4,555	-	-
Total Special Revenue Fund					4,555					4,555		
New Jersey Department of Agriculture:												
Enterprise Fund:												
National School Lunch Program	100-010-3350-023	3,134	7/1/21-6/30/22	-	2,899	(3,134)	-	(235)	-	-	-	3,134
National School Lunch Program	100-010-3350-023	4,197	7/1/20-6/30/21	(1,105)	1,105	-	-	-	-	-	-	-
Total Enterprise Fund				(1,105)	4,004	(3,134)		(235)				3,134
Total State Financial Assistance				\$ (15,160)	\$ 1,616,672	\$ (2,043,837)		\$ (442,325)			\$ 53,203	\$ 2,043,837
State Financial Assistance Programs not subject to Calculation for Major Program Determination:												
TPAF - Post-Retirement Medical (Noncash Assistance)	495-034-5094-001	\$ 143,553	7/1/21-6/30/22			\$ 143,553						
TPAF - Normal Pension Contributions (Noncash Assistance)	495-034-5094-002	614,418	7/1/21-6/30/22			614,418						
TPAF - Long-Term Disability Insurance (Noncash Assistance)	495-034-5094-004	103	7/1/21-6/30/22			103						
Total State Financial Assistance subject to Calculation for Major Program Determination						\$ (1,285,763)						

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

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

Note 1. Basis of Presentation

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Springfield Township School District. The School District is defined in Note 1 of the basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

Note 2. Summary of Significant Accounting Policies

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the following exception: programs recorded in the enterprise fund are presented using the accrual basis of accounting and programs recorded in the capital projects fund are presented using the modified accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The School District did not elect the 10-percent de minimis indirect cost rate as discussed in 2 CFR 200.414.

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the School District for the year ended June 30, 2022. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2022.

Note 3. Relationship to Basic Financial Statements

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

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

Note 3. Relationship to Basic Financial Statements (continued)

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to *N.J.S.A.* 18A:22-44.2. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more state aid June payments in the current budget year, consistent with *N.J.S.A.* 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$18,952 for the general fund and \$(17,323) for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ -	\$ 2,059,655	\$ 2,059,655
Special Revenue Fund	314,905	-	314,905
Food Service Fund	<u>193,359</u>	<u>3,134</u>	<u>196,493</u>
Total Awards & Financial Assistance	<u>\$ 508,264</u>	<u>\$ 2,062,789</u>	<u>\$ 2,571,053</u>

Note 4. Relationship to Federal and State Financial Reports

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

Note 5. Federal and State Loans Outstanding

The Springfield Township School District had no loan balances outstanding at June 30, 2022.

**SPRINGFIELD 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) Material weakness(es) identified? yes X no

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

Noncompliance material to financial statements noted? yes X no

Federal Awards

SECTION IS N/A - NOT REQUIRED

Internal control over major programs:

1) Material weakness(es) identified? yes no

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

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

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

Identification of major programs:

<u>ALN Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
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Not Applicable

Dollar threshold used to determine Type A programs _____

Auditee qualified as low-risk auditee? yes no

**SPRINGFIELD 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 Financial Assistance

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

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

Internal control over major programs:

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

 2) Significant deficiency(ies) identified? _____ yes X no

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

Any audit findings disclosed that are required to be reported
in accordance with New Jersey OMB's Circular 15-08? X yes _____ no

Identification of major programs:

State Grant/Project Number(s)

Name of State Program

<p>495-034-5120-078 495-034-5120-084 495-034-5120-089</p>	<p>State Aid-Public Cluster: Equalization Aid Categorical Security Aid Special Education Categorical Aid</p>
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**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Section II – Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey.

None.

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

Section III – Federal Awards & State Financial Assistance Findings & Questioned Costs

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08.

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE

Finding No. 2022-001

Information on the State Program:

State Aid Public:

Equalization Aid	495-034-5120-078
Categorical Security Aid	495-034-5120-084
Special Education Categorical Aid	495-034-5120-089

Criteria or Specific Requirement:

N.J.A.C. 6A:23A-16.10 states that a school district board of education shall not incur any obligation or approve any payment in excess of the amount appropriated by the district in the applicable line item account or program category account.

Condition:

The District over-expended individual budget line item accounts in violation of N.J.A.C. 6A:23A-16.10.

Questioned Costs:

None.

Context:

One budget line item account was over-expended on the District's budgetary comparison schedule.

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

Section III – Federal Awards & State Financial Assistance Findings & Questioned Costs (continued)

Effect:

The District did not comply with N.J.A.C. 6A:23A-16.10.

Cause

Unknown

Recommendation:

That the District comply with N.J.A.C. 6A:23A-16.10 by approving budget transfers prior to the over-expenditure of any budget line item account.

View of Responsible Officials:

The responsible officials agree with the finding and will address the matter as part of their corrective action.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

This section identifies the status of prior year findings related to the financial statements, federal awards and state financial assistance that are required to be reported in accordance with *Government Auditing Standards*, Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and New Jersey OMB's Circular 15-08.

Financial Statement Findings

Finding No. 2021-001:

Condition:

The District cash reconciliations for the general account was not prepared accurately in accordance with N.J.S.A. 18A:17-9.

Current Status:

The finding has been corrected.

Finding No. 2021-002:

Condition:

The District has not maintained an accurate capital asset listing.

Current Status:

The finding has been corrected.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Federal Awards Findings – N/A

State Financial Assistance Findings

Finding No. 2021-003:

Condition:

The District could not provide documentation that it obtained approval for the line item transfers from any general fund appropriation account that on a cumulative basis exceeded 10 percent.

Current Status:

The finding has been corrected.

Finding No. 2021-004:

Condition:

The District over-expended individual budget line item accounts in violation of N.J.A.C. 6A:23A-16.10.

Current Status:

The finding has not been corrected. See Finding 2022-001.

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