

**SCHOOL DISTRICT
OF
MANNINGTON TOWNSHIP**

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

of the

Mannington Township Board of Education

Salem, New Jersey

For the Fiscal Year Ended June 30, 2023

ANNUAL COMPREHENSIVE FINANCIAL REPORT

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Prepared by

Mannington Township Board of Education

Finance Department

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
OF THE MANNINGTON TOWNSHIP SCHOOL DISTRICT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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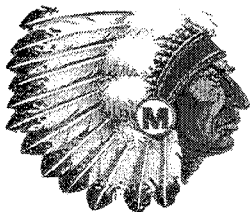
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INTRODUCTORY SECTION



Mannington Township School

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

Ms. Kristin Williams
Chief School Administrator

Mrs. Karen Stoms
Business Administrator

November 27, 2023

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

Dear Board Members:

The annual comprehensive financial report of the Mannington Township School District for the fiscal year ended June 30, 2023 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly, the financial position and results of operations of the various funds of the District. All disclosures that we feel are necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

1. REPORTING ENTITY AND ITS SERVICES:

Mannington Township School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. All funds of the District are included in this report. The Mannington Township Board of Education and its one school constitute the District's reporting entity. Mannington Township School District provides a full range of educational services appropriate to grade levels Pre-K through Eighth grade. These include regular, as well as special education for handicapped students. Our students in grades 9-12 are sent to Salem High School in a sending/receiving relationship. Tuition and transportation are paid for by the Mannington Township Board of Education. The Mannington Township School District completed the 2022-2023 fiscal year with an enrollment of 172 students, which was 2 less students than in the prior year. The following changes in the student enrollment of the District over the last ten years show a leveling off for the later years.

<u>Fiscal</u> <u>Year</u>	<u>Student</u> <u>Enrollment</u>	<u>Percent</u> <u>Change</u>
2022-23	172	-1.15%
2021-22	174	2.96%
2020-21	169	-11.05%
2019-20	190	17.28%
2018-19	162	6.57%
2017-18	152	-3.20%
2016-17	157	-14.01%
2015-16	179	-1.01%
2014-15	181	1.68%
2013-14	178	-2.19%

2. ECONOMIC CONDITION AND OUTLOOK:

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

3. MAJOR INITIATIVES:

Student scores on state and independent assessments have provided useful data following the impact of the pandemic. Student Scores have indicated growth and learning. Continued utilization of the ESI (Early Screening Inventory) is assisting in identifying areas of need for our Pre-K and Kindergarten classes. Also used at the early childhood level is Teaching Strategies Gold to monitor student progress and communicate that progress with families. The district continues to focus professional development in the area of effective instruction across the curriculum as well as specialized attention in literacy, reading, writing.

Mannington Township School offers a full day Pre-K 3 and 4 year old program and Kindergarten programs that utilize "Tools of the Mind" and NJCCCS respectively. Curriculums are consistently monitored and aligned accordingly to NJ Teaching and Learning Standards and differentiated instruction is a key focus in lessons through all disciplines. Many grade levels, due to student needs, use a co-teaching model.

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

During the 2022-2023 school year, the district continues to concentrate on early identification of academic issues related to student success in our Pre-K through Third Grade classes. Through our Intervention and Referral Services we use a tiered RTI (Response to Intervention) system. Our processes continue to be refined to best meet student's academic, behavioral and social emotional needs. Students, staff, and administration were presented information and training through workshops, assemblies, and activities to help the school climate remain bully free. The district maintains an emphasis on teaching and demonstrating respect to foster a supportive and safe school culture. In the area of technology the Mannington School is utilizing online reports and assessments, Chromebook and iPad carts, and SMART/Promethean Boards.

Curriculum is infused with technology and lessons can be enhanced through the use of computers and the Google platform. Several technology based programs have been purchased, such as IXL, Education Galaxy, Freckle, and Renaissance Learning. The teachers also utilize several free online resources to enhance instruction. The needs of all students are considered in both regular and special education. A recent reduction in resource room placements has been achieved through the creation of team teaching models including one special education teacher and one general education teacher.

We continue to expand our district wide services with a Mental Health Counsellor and Trauma Informed Coordinator that works with students and staff.

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

4. INTERNAL ACCOUNTING CONTROLS:

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

5. BUDGETARY CONTROLS:

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund and, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year end are either cancelled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2023.

6. ACCOUNTING SYSTEM AND REPORTS:

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

7. DEBT ADMINISTRATION:

On March 1, 2006, the Mannington Township Board of Education issued \$2,218,000 in bonds for the renovation of the elementary school. On April 12, 2016 the Bonds Payable for the renovation of the elementary school were refunded and the balance as of June 30, 2023 was \$425,000. There was no other authorized or outstanding bonded debt as of June 30, 2023.

8. CASH MANAGEMENT:

The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The District adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

9. RISK MANAGEMENT:

The Board carries various forms of insurance, including but not limited to general liability, automobile liability, and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

10. OTHER INFORMATION:

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

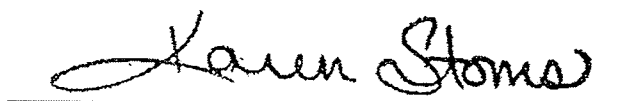
11. ACKNOWLEDGMENTS:

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

Respectfully submitted,

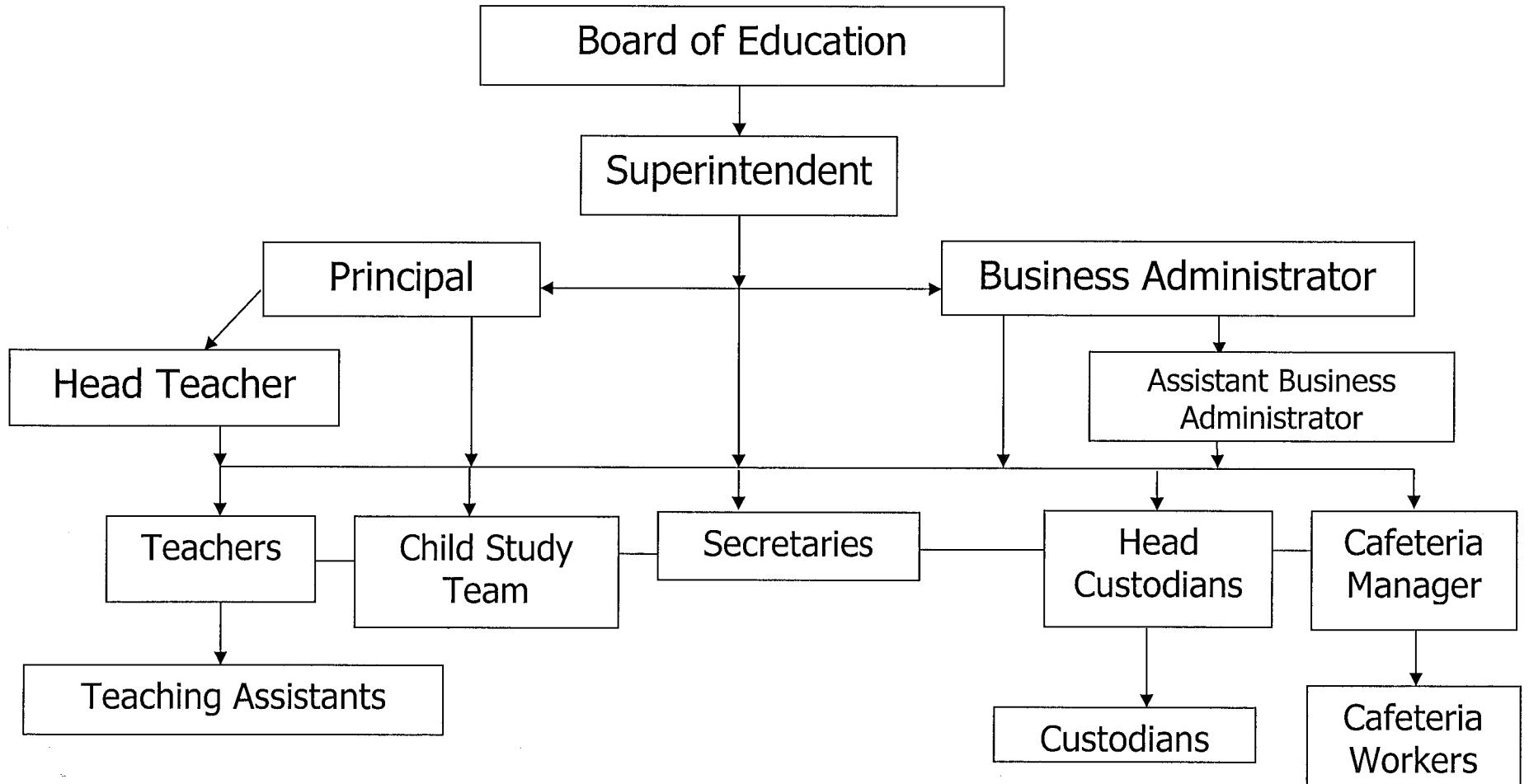


Kristin Williams, Chief School Administrator



Karen L. Stoms
Business Administrator/Board Secretary

Mannington Township School Organizational Chart



MANNINGTON TOWNSHIP BOARD OF EDUCATION

ROSTER OF OFFICIALS

JUNE 30, 2023

<u>MEMBERS OF THE BOARD OF EDUCATION</u>	<u>TERM EXPIRES</u>
Eric Buzby, President	2023
Robert DiGregorio, Vice President	2022
Carmen Porter	2023
Robert Poole	2024
Michael Bower	2025
Erica Denham	2025
Denise DiTeodoro	2024
<u>OTHER OFFICIALS</u>	<u>SURETY BOND</u>
Ms. Kristin Williams, Chief School Administrator	
Mrs. Karen Mathews, Business Administrator	\$ 160,000
Ms. Jessica Pate, Assistant Business Administrator	
Mr. Mark Toscano, Esquire, Solicitor	

MANNINGTON TOWNSHIP SCHOOL DISTRICT
CONSULTANTS AND ADVISORS

AUDIT FIRM

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

ATTORNEY

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Comegno Law Group, PC
521 Pleasant Valley Avenue
Moorestown, New Jersey 08057

OFFICIAL DEPOSITORY

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Salem, New Jersey 08079

INSURANCE AGENCY

Conner Strong & Buckelew Companies, LLC
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Marlton, NJ 08053

FINANCIAL SECTION

NIGHTLINGER, COLAVITA & VOLPA

A Professional Association

Certified Public Accountants

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

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

INDEPENDENT AUDITOR'S REPORT

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

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 Board of Education of the Mannington Township School District in the County of Salem, State of New Jersey, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Board of Education of the Mannington Township School District in the County of Salem, State of New Jersey'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 Board of Education of the Mannington Township School District in the County of Salem, State of New Jersey, as of June 30, 2023, 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. 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 Board of Education of the Mannington Township School District in the County of Salem, State of New Jersey, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Board of Education of the Mannington Township School District in the County of Salem, State of New Jersey's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 opinions. 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 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board of Education of the Mannington Township School District in the County of Salem, State of New Jersey's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Board of Education of the Mannington Township School District in the County of Salem, State of New Jersey'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 and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Board of Education of the Mannington Township School District in the County of Salem, State of New Jersey's basic financial statements. The combining and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, and is also not a required part of the basic financial statements. The 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 statements and related major fund supporting financial statements 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, as required by the Office of School Finance, Department of Education, State of New Jersey. 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 our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

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

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, P.A.

Raymond Colavita, C.P.A., R.M.A.
Licensed Public School Accountant
No. 915
November 27, 2023

REQUIRED SUPPLEMENTARY INFORMATION – PART I

Mannington Township School District Management Discussion and Analysis

(Unaudited)

This section of the Mannington Township School District's Annual Comprehensive Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year ending on June 30, 2023. Comparative information between the current year (2022-2023) and the prior year (2021-2022) is required to be presented in the MD&A. The intent of the discussion and analysis is to look at the District's financial performance as a whole. Interested parties should review the basic financial statements and notes in concert with this document in order to enhance and clarify their understanding of the finances of the District.

Using the Annual Comprehensive Financial Report (ACFR)

The Annual Comprehensive Financial Report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information.

The basic financial statements include two kinds of statements that present different views of the District:

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

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

Key financial highlights for 2023 are as follows:

- General revenues accounted for \$4,091,722 in revenue or 74% percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$1,458,595 or 26% percent to total revenues of \$5,550,317.
- Total net position of governmental activities increased by \$460,918, comprised of changes in various assets and liabilities. The net position of the Business-type Activities increased by \$11,731.
- The School District had \$5,077,668 in expenses, of which \$1,458,595 of these expenses were offset by program specific charges for services, grants or contributions. Revenues (primarily federal awards, state aid and property taxes) of \$4,091,722 were adequate to provide for these programs. These revenues and expenses include the Business-type Activities.

- The General Fund had \$4,522,360 in revenues and \$4,187,195 in expenditures during the year. The General Fund's balance increased \$255,790 over 2022, which includes transfers to Preschool Inclusion of \$47,775 and \$31,600 to the Capital Projects Fund. This increase was anticipated by the Board of Education as fund balance was used to balance the budget. District-wide Financial Statements – Reporting the School District as a Whole

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

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

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

In the Statement of Net Position and the Statement of Activities, which represent the district-wide financial statements, the School District is divided into two distinct kinds of activities:

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

Reporting the School District's Most Significant Funds

Fund Financial Statements

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

The District may implement four types of funds:

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

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

The School District as a Whole

Table 1 provides a comparative summary of the School District's net position for the years ended in 2023 and 2022.

Table 1
Net Position

	2023	2022
Assets		
Current and Other Assets	\$ 3,066,001	\$ 2,723,705
Capital Assets, Net	1,149,816	1,172,769
Total Assets	<u>\$ 4,215,817</u>	<u>\$ 3,896,474</u>
Deferred Outflows of Resources	218,945	151,161
Liabilities		
Current Liabilities	272,863	192,499
Long-term Liabilities	852,262	824,497
Total Liabilities	<u>\$ 1,125,125</u>	<u>\$ 1,016,996</u>
Deferred inflows of Resources	180,459	374,110
Net Position		
Invested in Capital Assets, Net of Debt	706,148	606,386
Restricted	2,447,244	2,398,713
Unrestricted (Deficit)	(24,214)	(348,570)
Total Net Position	<u><u>\$ 3,129,178</u></u>	<u><u>\$ 2,656,529</u></u>

Table 2 shows the changes in net position from fiscal years 2023 and 2022.

Table 2
Changes in Net Position

	<u>2023</u>	<u>2022</u>
Revenues		
Program Revenues		
Charges for Services	\$ 318,477	\$ 148,902
Operating Grants	1,140,118	1,127,497
General Revenues		
Property Taxes	3,158,020	3,075,446
Grants and Entitlements	791,815	809,341
Other	141,887	142,955
	<u>5,550,317</u>	<u>5,304,141</u>
Program Expenses		
Instruction	\$ 1,831,496	\$ 1,898,106
Tuition	494,206	489,058
Pupil and Instructional Staff	817,382	546,303
General Administration, School		
Administration, Business	228,482	250,821
Operations and Maintenance of Facilities	237,475	213,502
Pupil Transportation	265,623	223,294
Employee Benefits	1,050,352	1,115,692
Interest on Debt	38,268	17,567
Food Service	91,959	72,803
SACC	22,425	17,239
	<u>5,077,668</u>	<u>4,844,385</u>
Total Expenses	\$ 5,077,668	\$ 4,844,385
Increase in Net Position	<u>\$ 472,649</u>	<u>\$ 459,756</u>

Governmental Activities

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. Of the \$5,424,202 in Governmental revenue, excluding the Right-To-Use Lease Adjustment, District's Property taxes made up 58% of these revenues for governmental activities. Restricted and Unrestricted Federal, state and local grants accounted for another 35% and other revenues accounted for 7%. The total cost of services, as shown below, was \$4,963,284. The net cost of all governmental programs and services, which excludes charges for services and operating grants, was \$3,630,804. Instruction comprises 37% of these District expenses.

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

Table 3

	<u>Total Cost of Services 2023</u>	<u>Net Cost of Services 2023</u>	<u>Total Cost of Services 2022</u>	<u>Net Cost of Services 2022</u>
Instruction	\$ 1,831,496	\$ 1,430,325	\$ 1,898,106	\$ 1,454,039
Tuition	494,206	494,206	489,058	489,058
Pupil and Instructional Staff	817,382	253,861	546,303	149,723
General administration, school administration, business	228,482	228,482	250,821	250,821
Operation and maintenance of facilities	237,475	237,475	213,502	213,502
Pupil Transportation	265,623	265,623	223,294	223,294
Employee Benefits	1,050,352	682,564	1,115,692	827,955
Interest and fiscal charges	38,268	38,268	17,567	17,567
Total Expenses	<u>\$ 4,963,284</u>	<u>\$ 3,630,804</u>	<u>\$ 4,754,343</u>	<u>\$ 3,625,959</u>

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

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

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

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

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

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

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

Business-Type Activities

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

- Program expenses exceeded revenues by \$1,508 in the Food Service Fund and program revenues exceeded expenses by \$13,239 in the SACC Fund.
- Charges for services represent \$69,562 of revenue, which was an increase of \$40,292 from the prior year, which was attributed to the Pandemic. This represents amount paid by patrons for daily food service and SACC activities. There was no other non-operating revenue.
- Federal and state reimbursements for meals, including payments for free and reduced lunches and donated commodities, were \$56,553.

The School District's Funds

Information about the School District's major funds starts on page 22. These funds are accounted for using the modified accrual basis of accounting. The governmental funds used (general fund, special revenue fund, capital projects and debt service fund-based statements) had total revenues of \$5,524,254 expenditures of \$5,276,530. The net positive change in fund balance for the year was \$247,724, which demonstrates that the District was fully able to meet current operating costs without the use of additional fund balance. As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the fiscal year ended June 30, 2023, and the amount and percentage of increases and decreases in relation to prior year revenues.

Table 4

<u>Revenues</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2022</u>	<u>Percent Increase/ (Decrease)</u>
Local Sources	\$ 3,319,014	60.08%	\$ 74,851	2.40%
State Sources	1,697,170	30.72%	205,423	14.22%
Federal Sources	508,070	9.20%	74,977	30.15%
	<u>\$ 5,524,254</u>	<u>100.00%</u>	<u>\$ 355,251</u>	<u>7.39%</u>

The increase in Local sources is attributed to increases in the general fund local tax levy of \$84,461, and tuition revenue of \$9,086, offset by decreases in debt service tax levy of \$1,887, and miscellaneous revenues of \$16,809.

The increase in State sources of \$205,423 is attributed to increases in general fund aid of \$181,455 and in restricted state grants of \$24,919 offset by a decrease in debt service aid of \$951.

The above schedule includes the last 2021-2022 state aid payments of \$59,622 received in July 2022 and does not include the last state aid payments for 2022-2023 received in July 2023 in the amount of \$65,340.

The increase in Federal sources is due to changes in various grants. In addition, the 2023 figures do not include deferred revenue in accordance with GAAP accounting.

The following schedule presents a summary of general fund, special revenue fund, and debt service fund expenditures for the fiscal year ended June 30, 2023 and the percentage of increases and decreases in relation to prior year amounts.

Table 5

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2022</u>	<u>Percent Increase/ (Decrease)</u>
Current:				
Instruction	\$ 1,735,221	32.89%	\$ (68,327)	-4.49%
Undistributed expenditures	3,245,559	61.50%	308,206	11.20%
Capital Outlay	139,749	2.65%	54,687	34.05%
Debt Service:				
Principal	145,000	2.75%	-	0.00%
Interest	11,001	0.21%	(2,799)	-17.00%
Total	<u>\$ 5,276,530</u>	<u>100.00%</u>	<u>\$ 291,767</u>	<u>6.36%</u>

The decrease in instructional expenditures is attributed to a decrease in regular instruction of \$138,255, offset by an increase in special education instruction of \$69,928.

The increase in undistributed expenditures was due to increases in tuition of \$5,148, student instruction related services of \$135,267, general administration of \$7,092, central services of \$2,278, plant operations and maintenance of \$24,891, pupil transportation of \$42,329, and employee benefits of \$123,304, offset by a decrease in administrative services of \$32,103.

The increase in capital outlay of \$54,687 is attributed to increased capital expenditures for equipment.

The change in debt service results from a decrease in interest cost.

General Fund Budgeting Highlights

The School District's Budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of modified accrual and encumbrance accounting. The most significant budgeted fund is the General Fund.

During the course of the fiscal year 2023, the School District amended its General Fund budget as needed. The School District uses program based budgeting. These budgeting systems are designed to tightly control total program budgets while providing flexibility for program management to address the following:

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

While the District's final budget for the general fund anticipated that revenues, including surplus appropriated of \$430,763 would roughly equal expenditures, the actual results for the year show an increase of \$254,195 as shown on Exhibit C-1.

- Actual revenues were \$267,305 more than expected, excluding on-behalf pension and social security reimbursements of \$830,974, due to various state aid allotments and miscellaneous revenues.
- Actual expenditures were \$428,862 lower than expected, offset by the state on-behalf pension and social security reimbursements of \$830,974 resulting in the reportable unfavorable variance of \$402,112 as shown on Exhibit C-1.

Capital Assets

At the end of the fiscal year 2023, the School District had \$1,122,993 (net of accumulated depreciation) invested in Governmental land, buildings, furniture and equipment, and vehicles and \$26,823 in Business-type Activity equipment. Table 4 shows fiscal 2023 balances compared to 2022.

Table 6
Capital Assets (Net of Depreciation) at June 30

	<u>2023</u>	<u>2022</u>
Land	\$ 6,207	\$ 6,207
Land Improvements	245,042	225,062
Building and Improvements	717,321	755,331
Machinery and Equipment	170,217	170,001
Right-to-Use Lease Assets	11,029	16,168
Totals	<u>\$ 1,149,816</u>	<u>\$ 1,172,769</u>

Overall capital assets decreased by \$22,953 from fiscal year 2022 to fiscal year 2023. The decrease consisted of \$162,702 in depreciation expense, offset by additions of \$139,749.

Long-Term Debt:

At year-end, the District had \$1,002,926 in outstanding debt, which represented school bonds in the amount of \$425,000, net pension liability of \$477,114, Right-To-Use Lease payable of \$15,934 and compensated absences of \$84,878. There was no other outstanding authorized debt (Note 6). The remaining available amount of debt permitted to be authorized is \$5,225,398, as shown on Exhibit J-13.

Factors Bearing on the District's Future

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

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

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

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact Karen Stoms, Business Administrator, Mannington Township School District, 495 Route 45, Salem, NJ 08079.

BASIC FINANCIAL STATEMENTS

DISTRICT WIDE FINANCIAL STATEMENTS

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

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

Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental	Business-Type	Total
	Activities	Activities	
ASSETS			
Cash and Cash Equivalents	\$ 1,464,017	\$ (57,782)	\$ 1,406,235
Receivables, Net	331,140	9,938	341,078
Inventory		2,830	2,830
Restricted Assets:			
Capital Reserve Account - Cash	1,158,495		1,158,495
Maintenance Reserve Account - Cash	157,363		157,363
Capital Assets, Net (Note 6):	1,122,993	26,823	1,149,816
Total Assets	4,234,008	(18,191)	4,215,817
DEFERRED OUTFLOWS OF RESOURCES:			
Other Deferred Outflows			
Deferred Pension Outflows	218,945		218,945
Total Deferred Outflows	218,945		218,945
LIABILITIES			
Current Liabilities:			
Accounts Payable	18,668		18,668
Accrued Interest Payable	2,734		2,734
Unearned Revenue	99,624	1,173	100,797
Noncurrent Liabilities:			
Due Within One Year	150,664		150,664
Due Beyond One Year	852,262		852,262
Total Liabilities	1,123,952	1,173	1,125,125
DEFERRED INFLOWS OF RESOURCES:			
Deferred Pension Inflows	180,459		180,459
Total Deferred Inflows	180,459		180,459
NET POSITION			
Invested in Capital Assets, Net of			
Related Debt	679,325	26,823	706,148
Restricted for:			
Capital Reserve	1,158,495		1,158,495
Student Activities	12,439		12,439
Maintenance Reserve	157,363		157,363
Excess Surplus	1,118,947		1,118,947
Unrestricted (Deficit)	(113,286)	89,072	(24,214)
Total Net Position	\$ 3,013,283	\$ 115,895	\$ 3,129,178

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

**MANNINGTON TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023**

	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business- Type Activities	Total	
Governmental Activities							
Instruction:							
Regular	\$ 1,572,982	\$	\$ 401,171	\$ (1,171,811)		\$ (1,171,811)	
Special Education	257,968			(257,968)		(257,968)	
Other instruction	546			(546)		(546)	
Support Services:							
Tuition	494,206			(494,206)		(494,206)	
Student & Instruction Related Services	817,382	248,915	314,606	(253,861)		(253,861)	
General and Business Administrative Services	83,669			(83,669)		(83,669)	
School Administrative Services	61,680			(61,680)		(61,680)	
Central Services	83,133			(83,133)		(83,133)	
Plant Operations and Maintenance	237,475			(237,475)		(237,475)	
Pupil Transportation	265,623			(265,623)		(265,623)	
Employee Benefits	1,050,352		367,788	(682,564)		(682,564)	
Interest on Long-term Debt	38,268			(38,268)		(38,268)	
Total Governmental Activities	4,963,284	248,915	1,083,565	(3,630,804)		(3,630,804)	
Business-type Activities:							
Food Service	91,959	33,898	56,553		(1,508)	(1,508)	
SACC	22,425	35,664			13,239	13,239	
Total Business-type Activities	114,384	69,562	56,553		11,731	11,731	
Total Primary Government	\$ 5,077,668	\$ 318,477	\$ 1,140,118	(3,630,804)	11,731	(3,619,073)	
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes				3,055,099		3,055,099	
Taxes Levied for Debt Service				102,921		102,921	
Federal and State Aid not Restricted				791,815		791,815	
Tuition Received				126,668		126,668	
Investment Earnings				12,732		12,732	
Miscellaneous Income				2,487		2,487	
Special Items:							
Total General Revenues, Special Items, Extraordinary Items and Transfers				4,091,722		4,091,722	
				Change in Net Position	460,918	11,731	472,649
				Net Position—Beginning	2,552,365	104,164	2,656,529
				Net Position—Ending	\$ 3,013,283	\$ 115,895	\$ 3,129,178

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

FUND FINANCIAL STATEMENTS

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

GOVERNMENTAL FUNDS

MANNINGTON TOWNSHIP BOARD OF EDUCATION
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 1,287,995	\$	\$	\$	\$ 1,287,995
Cash - Capital Reserve	1,158,495				1,158,495
Cash - Maintenance Reserve	157,363				157,363
State Aid Receivable	190,457	18,010			208,467
Federal Aid Receivable		106,705			106,705
Receivables from Other Governments	15,968				15,968
Interfunds Receivables	156,154	104,621			260,775
Total Assets	\$ 2,966,432	\$ 229,336	\$	\$	\$ 3,195,768
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 180	\$ 18,488	\$	\$	\$ 18,668
Unearned Revenue		99,624			99,624
Interfund Payable	104,621	135,259			239,880
Total Liabilities	104,801	253,371			358,172
Fund Balances:					
Restricted For:					
Capital Reserve	1,158,495				1,158,495
Maintenance Reserve	157,363				157,363
Student Activities		12,439			12,439
Excess Surplus	505,389				505,389
Excess Surplus - Designated for Subsequent Year's Expenditures	613,558				613,558
Assigned to Year-End Encumbrance	640				640
Unassigned, Reported In:					
General Fund	426,186				426,186
Special Revenue Fund (Deficit)		(36,474)			(36,474)
Total Fund Balances (Deficit)	2,861,631	(24,035)			2,837,596
Total Liabilities and Fund Balances	\$ 2,966,432	\$ 229,336	\$	\$	

Amounts reported for *governmental activities* in the statement of net position (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$3,612,189 and the accumulated depreciation is \$2,489,196 (Note 6).

1,122,993

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (Note 7).

(525,812)

Deferred Outflow of Resources - Deferred Pension Contribution

218,945

Deferred Inflows of Resources - Pension Actuarial Gains

(180,459)

Long Term Net Pension Liability

(477,114)

Accrued Interest on Bonds not payable until the next year

(2,734)

Internal Service Fund - Net Position

19,868

Net position of governmental activities

\$ 3,013,283

MANNINGTON TOWNSHIP BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local sources:					
Local Tax Levy	\$ 3,055,099	\$	\$	\$ 102,921	\$ 3,158,020
Tuition from Individuals	110,956				110,956
Tuition from Other LEA's within State	15,712				15,712
Interest Earned	12,732				12,732
Local Sources		19,107			19,107
Miscellaneous	2,487				2,487
Total Local Sources	3,196,986	19,107		102,921	3,319,014
State Sources	1,325,374	318,755		53,041	1,697,170
Federal Sources		508,070			508,070
Total Revenues	4,522,360	845,932		155,962	5,524,254
EXPENDITURES					
Current:					
Regular Instruction	1,079,919	401,171			1,481,090
Special Education Instruction	254,131				254,131
Support Services:					
Tuition	494,206				494,206
Student & Instruction Related Services	247,753	314,606			562,359
General Administration	73,457				73,457
School Administrative Services	56,526				56,526
Central Services	76,453				76,453
Plant Operations and Maintenance	225,517				225,517
Pupil Transportation	265,623				265,623
Employee Benefits	1,401,898	89,520			1,491,418
Capital Outlay	11,712	96,437	31,600		139,749
Debt Service:					
Principal				145,000	145,000
Interest and Other Charges				11,001	11,001
Total Expenditures	4,187,195	901,734	31,600	156,001	5,276,530
Excess (Deficiency) of Revenues Over Expenditures	335,165	(55,802)	(31,600)	(39)	247,724
OTHER FINANCING SOURCES (USES)					
Transfer to Preschool - Inclusion	(47,775)	47,775			
Transfer to Capital Projects	(31,600)		31,600		
Total Other Financing Sources and Uses	(79,375)	47,775	31,600		
Net Change in Fund Balances	255,790	(8,027)		(39)	247,724
Fund Balance, July 1	2,605,841	(16,008)		39	2,589,872
Fund Balance—June 30 (Deficit)	\$ 2,861,631	\$ (24,035)	\$	\$	\$ 2,837,596

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

MANNINGTON TOWNSHIP BOARD OF EDUCATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Total net change in fund balances - governmental funds (from B-2)	\$	247,724
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.		
Depreciation Expense	\$	(160,566)
Capital Outlays		139,749
		(20,817)
Pension Expense recognized for GAAP but not for Budgetary purposes.		
In the statement of activities, certain operating expenses are measured by the amounts earned during the year, such as compensated absences. In the governmental funds, however, expenditures are reported when the corresponding financial resources are used or paid.		
		(6,724)
Amortization of the Loss on Debt Refunding is expensed in the Statement of Activities but not in the Fund statements		
		(28,200)
Repayment of Serial Bond principal is an expenditure in the government funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of net assists.		
		145,000
Pension contributions are reported in governmental funds as expenditures. However, in the statement of activities, the contributions are adjusted for actuarial valuation adjustments, including service and interest costs, administrative costs, investment returns, and experience/assumption. This is the amount by which net pension liability and deferred inflows/outflows related to pension changed during the period.		
		117,930
Repayment of right-to-use lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		
		4,982
In the statement of activities, interest on long term debt is accrued, regardless of when due, In the Governmental funds, interest is reported when due for payment.		
		933
Internal Service Fund - Increase in Net Position		
		90
Change in net position of governmental activities (A-2)	\$	460,918

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

PROPRIETARY FUNDS

MANNINGTON TOWNSHIP BOARD OF EDUCATION
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023

	Business-Type Activities Enterprise Fund			Governmental Activities Internal Service Fund
	Food Service	SACC Program	Total Enterprise	
	<u>Food Service</u>	<u>SACC Program</u>	<u>Total Enterprise</u>	<u>Internal Service Fund</u>
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 78,614	\$ 19,758	\$ 98,372	\$ 19,868
Accounts Receivable	2,809	7,129	9,938	
Inventory	2,830		2,830	
Total Current Assets	<u>84,253</u>	<u>26,887</u>	<u>111,140</u>	<u>19,868</u>
Noncurrent Assets:				
Furniture, Machinery & Equipment	36,740		36,740	
Less Accumulated Depreciation	(9,917)		(9,917)	
Total Noncurrent Assets	<u>26,823</u>		<u>26,823</u>	
Total Assets	<u>\$ 111,076</u>	<u>\$ 26,887</u>	<u>\$ 137,963</u>	<u>\$ 19,868</u>
LIABILITIES AND FUND EQUITY:				
Current Liabilities:				
Unearned Revenue	\$ 1,089	\$ 84	\$ 1,173	\$
Due to General Fund	20,895		20,895	
Total Current Liabilities	<u>21,984</u>	<u>84</u>	<u>22,068</u>	
Net Position				
Invested in Capital Assets, Net of Related Debt	26,823		26,823	
Unrestricted	62,269	26,803	89,072	19,868
Total Net Position	<u>89,092</u>	<u>26,803</u>	<u>115,895</u>	<u>19,868</u>
Total Liabilities & Net Position	<u>\$ 111,076</u>	<u>\$ 26,887</u>	<u>\$ 137,963</u>	<u>\$ 19,868</u>

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

MANNINGTON TOWNSHIP BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Business-Type Activities Enterprise Fund			Governmental Activities Internal Service Fund
	Food Service	SACC Program	Totals	
Operating Revenues:				
Charges for Services:				
Daily Sales Reimbursable Programs	\$ 23,522		\$ 23,522	
Daily Sales Non-Reimbursable Programs	10,376		10,376	
SACC Revenue		35,664	35,664	
Shared Services - Other LEA				229,808
Total Operating Revenue:	33,898	35,664	69,562	229,808
Operating Expenses:				
Cost of Sales - Reimbursable Programs	42,584		42,584	
Cost of Sales - Non-Reimbursable Programs	4,274		4,274	
Salaries	23,489	20,062	43,551	193,470
Employee Benefits	4,250	1,535	5,785	36,248
General Supplies	15,226	828	16,054	
Depreciation	2,136		2,136	
Total Operating Expenses	91,959	22,425	114,384	229,718
Operating Income (Loss)	(58,061)	13,239	(44,822)	90
Non-operating Revenues (Expenses):				
State Sources:				
State School Lunch Program	1,008		1,008	
School Breakfast Program	58		58	
Federal Sources:				
National School Lunch Program	28,449		28,449	
School Breakfast Program	6,073		6,073	
P-EBT Administrative Cost	653		653	
Supply Chain Assistance Round 2	8,019		8,019	
Supply Chain Assistance Round 3	6,362		6,362	
Food Distribution Program	5,931		5,931	
Total Non-operating Revenues (Expenses)	56,553		56,553	
Income (Loss) Before Contributions & Transfers	(1,508)	13,239	11,731	90
Transfers In (Out)				
Change in Net Position	(1,508)	13,239	11,731	90
Total Net Position - Beginning	90,600	13,564	104,164	19,778
Total Net Position - Ending	\$ 89,092	\$ 26,803	\$ 115,895	\$ 19,868

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

MANNINGTON TOWNSHIP BOARD OF EDUCATION
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Business-Type Activities			Governmental Activities Internal Service Fund
	Enterprise Funds			
	Food Service	SACC Program	Total Enterprise	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers	\$ 33,898	\$ 35,664	\$ 69,562	\$ 229,808
Payments to Employees	(23,489)	(20,062)	(43,551)	(193,470)
Payments for Employee Benefits	(4,250)	(1,535)	(5,785)	(36,248)
Payments to Suppliers	(47,622)	(4,150)	(51,772)	
Net Cash Provided by (Used for) Operating Activities	(41,463)	9,917	(31,546)	90
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
State Sources	1,066		1,066	
Federal Sources	55,487		55,487	
Operating Transfer In-General Fund				
Net Cash Provided by (Used for) Non-capital Financing Activities	56,553		56,553	
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES				
Purchase of Fixed Assets				
Net Cash Provided by (Used for) Capital Financing Activities				
Net Increase (Decrease) in Cash and Cash Equivalents	15,090	9,917	25,007	90
Balances—Beginning of Year	63,524	9,841	73,365	19,778
Balances—End of Year	\$ 78,614	\$ 19,758	\$ 98,372	\$ 19,868
Reconciliation of Operating Income (Loss) to Net Cash Provided				
(Used) by Operating Activities:				
Operating Income (Loss)	\$ (58,061)	\$ 13,239	\$ (44,822)	\$ 90
Adjustments to Reconcile Operating Income (Loss) to Net Cash				
Provided by (Used for) Operating Activities:				
Depreciation and Net Amortization	2,136		2,136	
(Increase) Decrease in Accounts Receivable, Net	11,849	(3,275)	8,574	
(Increase) Decrease in Inventory	2,509		2,509	
Increase (Decrease) in Accounts Payable				
Increase (Decrease) in Due to General Fund				
Increase (Decrease) in Unearned Revenue	104	(47)	57	
Total Adjustments	16,598	(3,322)	13,276	
Net Cash Provided by (Used for) Operating Activities	\$ (41,463)	\$ 9,917	\$ (31,546)	\$ 90

Noncash Investing, Capital, and Financing Activities:

During the year, the District received \$6,008 of food commodities from the U.S. Department of Agriculture

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

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1. DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

A. Reporting Entity:

The Mannington Township School District is a Type II District located in the County of Salem, State of New Jersey. As a Type II District, the School District functions independently through a Board of Education. The board is comprised of seven members elected to three-year terms. These terms are staggered so that two or three members' terms expire each year. The purpose of the District is to educate students in grades Pre K-8. The Mannington Township School District had an approximate enrollment at June 30, 2023 of 172.

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

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

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation:

The District's financial reporting consist of a Management's Discussion and Analysis (MD&A) providing an analysis of the District's over-all financial position and results of operations, as well as Basic financial statements prepared using full-accrual accounting for all of the District's activities.

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

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

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

- Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expenses-expenses of the District related to the administration and support of the District's programs, such as personnel and accounting-are not allocated to programs.
- Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes and state formula aid, are presented as general revenues.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

A. Basis of Presentation: (continued)

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

B. Fund Accounting:

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

GOVERNMENTAL FUNDS

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

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

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

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

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

B. Fund Accounting: (continued)

Special Revenue Fund - Continued

As a result of implementing GASB Statement No. 84, Fiduciary Activities, amounts maintained for student activities and private purpose scholarships are included in the special revenue fund. The amounts are considered to be restricted and available to use for specific expenditures. Amounts maintained for student activities are derived from athletic events or other activities of pupil organizations and accumulated for payment of student group activities.

Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election. The district currently has no capital projects and, therefore, has not included a capital projects fund.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

PROPRIETARY FUNDS

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

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

The District's Enterprise Fund is comprised of a Food Service Fund, a SACC Fund and an Internal Service Fund.

Internal Service Fund - The internal service fund is utilized to charge costs for certain activities to individual funds or other governmental entities.

The District's internal service fund is comprised of Shared Service Agreements for Technology, Business Office, Superintendent, Maintenance/Grounds, Psychologist, Early Childhood Coordinator, and Social Worker Services.

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

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

B. Fund Accounting: (continued)

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

Food Service Fund - Equipment	12 Years
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FIDUCIARY FUNDS

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

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

C. Basis of Accounting and Measurement Focus:

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

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

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

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

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

D. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds, which are submitted to the county office. In accordance with P.L. 2011, c. 202, the School District passed a resolution to move the school board election to the first Tuesday after the first Monday in November, starting in November of 2012 and to be held simultaneously with the general election. As a result, a vote is not required on the School District's general fund tax levy for the budget year, other than the general fund tax levy required to support a proposal for additional funds, if any. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23A-16.2 (f) 1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3. The Board of Education did not make any material supplemental budgetary appropriations during the fiscal year.

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

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

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

E. Encumbrance Accounting:

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

Open encumbrances in the special revenue fund, for which the District has received advances, are reflected in the balance sheet as deferred revenues at fiscal year end. The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year end.

F. Tuition Receivable:

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

G. Tuition Payable:

Tuition charges for the fiscal years 2020-2021, 2021-2022, and 2022-2023 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

H. Short-Term Interfund Receivables/Payables:

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

I. Inventories and Prepaid Expenses:

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

On District-wide financial statements and in the enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2023.

J. Assets, Liabilities and Equity:

Transactions

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

Inventories

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

Prepaid expenses in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2023. At June 30, 2023, there was \$249 in supplies and \$2,581 in purchased food in ending inventory in the Food Service Fund.

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

Capital Assets

General fixed assets acquired or constructed during the year are recorded at actual cost. Donated fixed assets are valued at their estimated fair market value on the date received. The general fixed assets acquired or constructed prior to June 30, 2023 are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. General fixed assets are reflected as expenditures in the applicable governmental funds, and the related assets are reported in the general fixed assets account group. Expenditures that enhance the asset or significantly extend the useful life of the asset are considered improvements and are added to the fixed asset's currently capitalized cost. The cost of normal repairs and maintenance are not capitalized. Assets in the general fixed assets account group are not depreciated.

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

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

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

K. Compensated Absences:

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

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

L. Unearned Revenue:

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

M. Operating Revenues and Expenses:

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

N. Allocation of Indirect Expenses:

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

O. Extraordinary and Special Items:

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

P. Lease Acquisition Costs:

As part of any long-term lease agreement, providing for the use of school buildings, payments constituting professional lease acquisition and other related professional fees will be expensed when incurred in accordance with GASB Statement No. 65. There were no such leases for the year ended June 30, 2023.

Q. Fund Equity:

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

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

R. Comparative Data/Reclassifications:

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

S. Management Estimates:

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

T. Accrued Liabilities and Long-term Obligations:

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

U. Net position

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

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

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

V. Fund balances - Governmental Funds

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

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

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

V. Fund balances - Governmental Funds - Continued

Assigned - includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.

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

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

W. Revenues – Exchange and Non-exchange Transactions:

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

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

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

X. New Accounting Standards:

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

- GASB Statement No. 99 - *Omnibus 2022*: The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. Management is evaluating the potential impact of the adoption of GASB 99 on the School District's financial statements.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

X. New Accounting Standards: Continued

- GASB Statement No. 100 - *Accounting Changes and Error Corrections, an amendment of GASB Statement No. 62*: The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. Management is evaluating the potential impact of the adoption of GASB 100 on the School District's financial statements.

- GASB Statement No. 101 - *Compensated Absences*: The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Management is evaluating the potential impact of the adoption of GASB 101 on the School District's financial statements.

Y. Tax assessments and property taxes:

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

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

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

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

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

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

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

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

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

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

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

Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office on the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to 5% of the average daily balance of collected public funds on deposit, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to Governmental Units.

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

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

Custodial Credit Risk: Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits may not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local government agencies. The program is administered by the Commissioner of the NJ Department of Banking and Insurance. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. As of June 30, 2023, the School District's bank balance of \$2,821,843 was subject to custodial credit risk as follows:

Insured by Depository Insurance	\$ 250,000
Collateralized under GUDPA	<u>2,571,843</u>
Total	\$ <u>2,821,843</u>

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

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

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

As of June 30, 2023, cash and cash equivalents in the fund financial statements of the District consisted of the following:

	Cash and Cash Equivalents	
Checking Accounts	\$	2,722,093
<hr style="border-top: 3px double #000;"/>		
Unrestricted cash		
Governmental funds, Balance Sheet	B-1	\$ 1,287,995
Enterprise funds, Statement of Net Position	B-4	98,372
Internal service funds, Statement of Net Position	B-4	19,868
Restricted cash		
Governmental funds, Balance Sheet	B-1	1,315,858
Total cash		\$ <u>2,722,093</u>

NOTE 4. CAPITAL RESERVE ACCOUNT

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

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

Districts are also permitted, as per N.J.S.A. 18A:7F-41(a) and 41(b) to deposit into the legal reserves by Board Resolution during the month of June for any unanticipated revenue and/or unexpended line-item appropriation amounts. Pursuant to this state statute, the District did not deposit any additional funds into their Capital Reserve Account by Board Resolution in June 2023.

The activity of the capital reserve for the July 1, 2022 to June 30, 2023 fiscal year is as follows:

Beginning Balance, July 1, 2022	\$	1,185,434
Interest Earnings		4,661
Deposits - Approved by Resolution		
Transfer to Capital Projects Fund		(31,600)
<hr style="border-top: 1px solid #000;"/>		
Ending Balance, June 30, 2023	\$	<u>1,158,495</u>

The balance in Capital Reserve at June 30, 2023 is to be within the LRFP maximum balance of local support costs of uncompleted capital projects.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 5. OPERATING LEASES

The School is a lessee for various copiers. The District recognizes a lease liability – finance purchase and a capital asset or recognizes a lease liability – right to use and an intangible right-to use lease asset in the district-wide financial statements based on the criteria dictated in GASB Statement No. 87 – Leases.

At the commencement of a lease, the School determines based on the criteria dictated in GASB Statement No. 87 – Leases, if the lease is a finance purchase or a right to use lease liability. Then the School initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease liabilities are reported with the long-term obligations on the statement of net position.

A finance purchased asset is initially measured as the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. The asset is depreciated on a straight-line basis over the life of the lease which is considered the asset's useful life. The asset is reported with the School capital assets as land, land improvements, buildings and improvements or furniture and equipment.

An intangible right-to use lease asset is initially measured as the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date. The intangible right-to use lease asset is amortized on a straight-line basis over the life of the lease. The intangible right-to use lease asset is reported with the School's capital assets in its own category called Right-to-Use Lease Assets.

Key estimates and judgements related to leases include how the School determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District is utilizing the treasury bill rate (corresponding to length of lease) in place at the date of implementation along with other risk factors to determine the discount interest rate for leases.

The School has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position.

The District has determined all of their copier lease agreements qualify as right-to-use assets. As of June 30, 2023, total future minimum lease payments under right-to-use lease agreements are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2024	5,612
2025	5,612
2026	4,414
2026	616
	<u> </u>
	\$ <u>16,254</u>

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 6. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 was as follows:

	<u>Beginning Balance 7/1/22</u>	<u>Additions</u>	<u>Adjustment/ Retirements</u>	<u>Ending Balance 6/30/23</u>
Governmental Activities:				
Capital Assets that are not being Depreciated:				
Land	\$ 6,207	\$	\$	\$ 6,207
Total Capital Assets not being Depreciated	6,207			6,207
Capital Assets Being Depreciated and Amortized				
Land Improvements	271,041	35,000		306,041
Building and Building Improvements	2,859,188	84,976		2,944,164
Machinery and Equipment	310,312	19,773		330,085
Right-to-Use Lease Assets	25,692			25,692
Totals at Historical Cost	3,466,233	139,749		3,605,982
Less Accumulated Depreciation and Amortization				
Land Improvements	(45,979)	(15,020)		(60,999)
Building and Improvements	(2,103,857)	(122,986)		(2,226,843)
Equipment	(169,270)	(17,421)		(186,691)
Right-to-Use Lease Assets	(9,524)	(5,139)		(14,663)
Total Accumulated Depreciation and Amortization	(2,328,630)	(160,566)		(2,489,196)
Total Capital Assets being Depreciated and Amortized, Net of Accumulated Depreciation and Amortization	1,137,603			1,116,786
Government Activities Capital Assets, Net	\$ 1,143,810	\$ (20,817)	\$	\$ 1,122,993
	To A-1			To A-1
Business-type Activities - Equipment	\$ 36,740		\$	\$ 36,740
Less Accumulated Depreciation	(7,781)	(2,136)		(9,917)
Business-type Activities Capital Assets, Net	\$ 28,959	\$ (2,136)	\$	\$ 26,823
Depreciation expense was charged to governmental functions as follows:				
Instruction:				
Regular		\$ 91,892		
Special Education		3,838		
Other Instruction		546		
Support Services:				
Student & Instruction Related Services		25,305		
School Administration		10,212		
General & Business Administrative Services		5,154		
Central Services		6,680		
Plant Operations and Maintenance		16,940		
Total Depreciation Expense			\$ 160,566	

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 7. ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2023 consisted of accounts (fees) and intergovernmental grants. All receivables are considered collectable in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds.

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

	General Fund	Enterprise Fund	Special Revenue Fund
Receivables:			
Intergovernmental	\$ 206,425	\$ 2,275	\$ 124,715
Other		7,663	
	\$ 206,425	\$ 9,938	\$ 124,715

NOTE 8. LONG-TERM OBLIGATIONS

During the fiscal year ended June 30, 2022, the following changes occurred in long-term obligations:

	Beginning Balance 7/1/22	Additions	Reductions	Ending Balance 6/30/23	Amounts Due within One Year	Long-term Portion
Governmental Activities:						
Serial Bonds	\$ 570,000	\$	\$ 145,000	\$ 425,000	\$ 140,000	\$ 285,000
Compensated absences payable	78,154	6,724		84,878	5,532	79,346
Net Pension Liability	305,409	171,705		477,114		477,114
Right-to-Use Lease Liability	20,916		4,982	15,934	5,132	10,802
Total Long-term Obligations	\$ 974,479	\$ 178,429	\$ 149,982	\$ 1,002,926	\$ 150,664	\$ 852,262

To A-1

A. Bonds Payable

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

On April 12, 2016, the Bonds Payable issued on March 1, 2006 in the amount of \$1,400,000 were refunded. Principal and interest due on bonds outstanding are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 140,000	\$ 8,203	\$ 148,203
2025	145,000	5,501	150,501
2026	140,000	2,702	142,702
	\$ 425,000	\$ 16,405	\$ 441,405

The general obligation bonded debt of the District is limited by state law to 3% of the average equalized assessed values of the total taxable property in the District for the past three years. The legal debt limit at June 30, 2023 was \$5,650,398 and the resulting legal debt margin available was \$5,225,398.

B. Bonds Authorized But Not Issued - As of June 30, 2023, the District had no bonds authorized but not issued.

C. Capital Leases - As of June 30, 2023, the District had no Capital Leases.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 9. MAINTENANCE RESERVE

New Jersey Statute 18A:7G-9 permits school districts to accumulate funds for the required maintenance of a facility in accordance with EFCFA. The balance may only be increased through an appropriation in the annual general fund budget certified for taxes. Upon completion of a school facilities projects, districts are required to submit a plan for maintenance of that facility. The activity of the maintenance reserve for the July 1, 2022 to June 30, 2023 fiscal year is as follows:

Beginning Balance July 1, 2022	\$	155,805
Withdrawn		
Added by Interest Earnings		<u>1,558</u>
Ending Balance June 30, 2023	\$	<u><u>157,363</u></u>

Districts are also permitted, as per N.J.S.A. 18A:7F-41(a) and 41(b) to deposit into the legal reserves by Board Resolution during the month of June for any unanticipated revenue and/or unexpended line-item appropriation amounts. Pursuant to this state statute, the District did not deposit any additional funds into their Maintenance Reserve Account by Board Resolution in June 2023.

NOTE 10. PENSION PLANS

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

Public Employees' Retirement System

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

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

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 10. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (Continued)

The following represents the membership tiers for PERS:

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

Contributions - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The PERS member total contribution rate as of July 1, 2021 was 7.5% of base salary. The District employees' contributions for the year ended June 30, 2023 were 18,035. Employers in PERS are required to contribute at an actuarially determined rate which includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. The PERS employer rate due in 2023 is 15.98% of covered payroll. The District is billed annually for its normal contribution plus any accrued liability. These contributions were paid by the District and equal to the required contributions for each year. The District's contributions to PERS for the years ended June 30, 2023, and 2022, were \$39,868 and \$30,192 respectively.

The total payroll for the year ended June 30, 2023 was \$2,341,937. Payroll covered by PERS was \$240,467 for fiscal year 2023.

Components of Net Pension Liability - At June 30, 2023, the District's proportionate share of the PERS net pension liability was \$477,113. The net pension liability was measured as of June 30, 2022. The District's proportion of the net pension liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2022. The District's proportion measured as of June 30, 2022 was 0.003161% which was an increase of 0.00058% from its proportion measured as of June 30, 2021.

Pension Expense and Deferred Outflows/Inflows of Resources - The District's 2023 PERS pension expense, with respect to GASB 68, was \$(68,387). The District's 2023 deferred outflows of resources and deferred inflows of resources were from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,444	\$ 3,037
Changes of assumptions	1,478	71,443
Net difference between projected and actual earnings on pension plan investments	19,747	
Changes in proportion	154,408	105,979
Contributions subsequent to the measurement date	39,868	
Total	\$ 218,945	\$ 180,459

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 10. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (Continued)

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

Year		PERS
2023	\$	(29,038)
2024		1,332
2025		28,188
2026		(2,719)
2027		855
Thereafter		
Total	\$	(1,382)

Additional Information - Collective Balances at June 30, 2023 and 2022 are as follows:

Year		2023		2022
Collective deferred outflows of resources	\$	218,945	\$	122,961
Collective deferred inflows of resources	\$	180,459	\$	374,110
Collective Net Pension Liability	\$	477,113	\$	305,409
District's Proportion		0.003161%		0.002578%

Actuarial Assumptions - The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	PERS
Investment Rate of Return	7.00%
Salary Increases:	
(Based on Years of Service):	2.75 – 6.55%
Inflation Rate – Price	2.75%
Inflation Rate – Wage	3.25%

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

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 10. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (Continued)

Long-Term Expected Rate of Return – In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
Total	100.00%	

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 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 all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate - The following presents the collective net pension liability of the participating employers as of June 30, 2022, calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
District's Proportionate Share of the Net Pension Liability	\$ 618,142	\$ 477,113	\$ 364,572

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 10. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (Continued)

Teachers' Pension and Annuity Fund

The State of New Jersey Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special funding situation that was established in 1955. As under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

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

The following represents the membership tiers for TPAF:

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

Special Funding Situation - The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

Contributions - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. The member contribution rate was 7.5% in as of July 1, 2021. 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 2022, the State's pension contribution was less than the actuarial determined amount. Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the District and all other related non-contributing employers. No normal or accrued liability contribution by the District has been required over several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, Accounting and Financial Reporting for Pensions. The District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2023 because of the 100% special funding situation with the State of New Jersey.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 10. PENSION PLANS (CONTINUED)

Teachers' Pension and Annuity Fund (Continued)

During the fiscal year ended June 30, 2023, the State of New Jersey contributed \$552,352 to the TPAF for pension contributions, \$145,102 for post-retirement benefits on behalf of the School, and \$354 for long-term disability. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$133,166 during the year ended June 30, 2023 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

Components of Net Pension Liability - At June 30, 2023, the District was not required to report a liability for its proportionate share of the net pension liability because of a 100% reduction for State of New Jersey pension support provided to the District.

Pension Expense - For the year ended June 30, 2023, the District recognized pension expense of \$175,723 and revenue of \$175,723 for support provided by the State.

Actuarial Assumptions - The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	TPAF
Investment Rate of Return	7.00%
Salary Increases	
(Based on Years of Service):	2.75 – 5.65%
Inflation Rate – Price	2.75%
Inflation Rate – Wage	3.25%

Long-Term Expected Rate of Return - Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2022 are summarized in the following table:

	TPAF	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
Total	100.00%	

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 10. PENSION PLANS (CONTINUED)

Teachers' Pension and Annuity Fund (Continued)

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate - The following presents the collective net pension liability of the participating employers as of June 30, 2022, calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
State's Share of the Net Pension Liability associated with the District	\$ 7,668,001	\$ 6,529,355	\$ 5,589,348
State's Share of the Net Pension Liability	\$ 60,591,896,759	\$ 51,676,587,303	\$ 44,166,559,329

Defined Contribution Retirement Program (DCRP)

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

Eligibility

1. State or Local Officials who are elected or appointed on or after July 1, 2007
2. Employees enrolled in the PERS or TPAF on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits
3. Employees enrolled in the PFRS or SPRS after May 21, 2010, who earn salary in excess of established "maximum compensation" limits
4. Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually
5. Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually

Contributions – The contribution policy is set by N.J.S.A 43:15C-3 and requires contributions by active members and contributing employers. Plan members are required to contribute 5.5% of their base salary and the District's employer match is an additional 3% contribution. For the year ended June 30, 2023, employee contributions totaled \$1,199 and the District's employer contribution, recognized in pension expense, was \$883. There were no forfeitures during the fiscal year.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 10. PENSION PLANS (CONTINUED)

Teachers' Pension and Annuity Fund (Continued)

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

NOTE 11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

General Information about the OPEB Plan

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

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 52:14-17.32f. According to N.J.S.A 52:14- 17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

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

Special Funding Situation

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

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) Continued

State Health Benefit State Retired Employees Plan:

State Health Benefit State Retired Employees Plan Pension and Other Postemployment Benefits (OPEB) Obligations in Fiscal Year 2022 the State funded the various defined benefit pension systems at 108 percent of the full actuarially determined contributions. Employer contributions to the pension plans are calculated per the requirements of the governing State statutes using generally accepted actuarial procedures and practices. The actuarial funding method used to determine the State's contribution is a matter of State law. Any change to the funding method requires the approval of the State Legislature and the Governor. The amount the State actually contributes to the pension plans may differ from the actuarially determined contributions of the pension plans because the State's contribution to the pension plans is subject to the appropriation of the State Legislature and actions by the Governor. GASB Statement No. 68, Accounting and Financial Reporting for Pensions, requires participating employers to recognize their proportionate share of the collective net pension liability. Under the new statement, the calculation of the pension liability was changed to a more conservative methodology and each employer was allocated a proportional share of the pension plans' net pension liability. The State's share of the net pension liability, based on a measurement date of June 30, 2021, which is required to be recorded on the financial statements, is \$75.1 billion. The Fiscal Year 2023 projected aggregate State contribution to the pension plans of \$6.8 billion represents 104 percent of the actuarially determined contribution. The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements. In Fiscal Year 2022, the State paid PRM benefits for 161,238 State and local retirees. The State funds post-retirement medical benefits on a "pay-as-you-go" basis, which means that the State does not prefund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2022, the State contributed \$1.9 billion to pay for "pay-as-you-go" PRM benefit costs incurred by covered populations, a slight increase from \$1.8 billion in Fiscal Year 2021. The State has appropriated \$2.1 billion in Fiscal Year 2023 as the State's contribution to fund increases in prescription drugs and medical claims costs. In accordance with the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for Fiscal Year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2022 State OPEB liability to provide these benefits is \$88.9 billion, a decrease of \$12.7 billion, or 12.5 percent from the \$101.6 billion liability recorded in Fiscal Year 2021. Additional information on Pensions and OPEB can be accessed on the Division of Pensions & Benefits Financial Reports webpage: <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Total OPEB Liability

The State of New Jersey’s total OPEB liability, as of the measurement date of June 30, 2022, was \$50,646,462,966. Of this amount, the total OPEB liability attributable to the School District was \$8,184,862. The State of New Jersey’s proportionate share of the total OPEB liability is 100%, including the proportion attributable to the School District of 0.01616%. The total OPEB liability for the School District measured as of June 30, 2022 is zero as a result of the Special Funding Situation with the State of New Jersey. The School District’s proportionate share of the total OPEB liability measured as of June 30, 2022 is 0.00%. Accordingly, the School District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position.

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2022 was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	TPAF/ABP	PERS	PFRS
Salary Increases:	2.75% to 4.25% based on years of service	2.75% to 6.55% based on years of service	3.25% to 16.25% based on years of service

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

Actuarial assumptions used in the July 1, 2021 valuation were based on the results of the TPAF, PERS and PFRS experience studies prepared for July 1, 2018 to June 30, 2021.

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.50% long-term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is initially -3.54% in fiscal year 2023, increasing to 15.19% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.50% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Discount rate

The discount rate used to measure the total OPEB liability was 3.54%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Changes in the Total OPEB Liability

State of New Jersey	<u>Total OPEB</u>
Balance as of June 30, 2021 Measurement Date	\$ <u>60,007,650,971</u>
Changes for the year:	
Service Cost	2,770,618,025
Interest	1,342,187,139
Changes of Benefit Terms	0
Differences between Expected and Actual experience	1,399,200,736
Changes of Assumptions	(13,586,368,097)
Benefit Payments	(1,329,476,059)
Contributions from Members	<u>42,650,252</u>
Net Changes	<u>(9,361,188,004)</u>
Balance as of June 30, 2022 Measurement Date	\$ <u><u>50,646,462,967</u></u>

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

The following presents the total nonemployer OPEB liability as of June 30, 2022, 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:

<u>June 30, 2022</u>		
At 1.00% Decrease 2.54%	At Discount Rate 3.54%	At 1.00% Increase 4.54%
\$ 59,529,589,697	50,646,462,966	43,527,080,995

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, 2022, 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:

<u>June 30, 2022</u>		
1.00% Decrease	Healthcare Cost Trend Rate	1.00% Increase
\$ 41,862,397,291	50,646,462,966	62,184,866,635

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

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

For the year ended June 30, 2023, the School District recognized OPEB expense of \$191,871. The School District reported deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 1,461,323	\$ (2,498,933)
Changes of Assumptions	1,416,592	(2,785,680)
Net difference Between Projected and Actual Earnings on OPEB Plan Investments		
Changes in Proportion	919,351	(628,777)
Contributions Subsequent to the Measurement Date		
Total	\$ 3,797,266	\$ (5,913,390)

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

Measurement Period Ending June 30,		OPEB
2023	\$	1,056,264
2024		1,056,264
2025		1,056,264
2026		1,106,578
2027		1,267,889
Thereafter		4,167,397
Total	\$	9,710,656

NOTE 12. COMPENSATED ABSENCES

The School District accounts for compensated absences as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences". A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the school district and its employees, is accrued as employees earn the rights to the benefits.

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

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

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 12. COMPENSATED ABSENCES (CONT'D)

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2023, there was no liability for compensated absences in the Food Service Fund.

NOTE 13. DEFERRED COMPENSATION

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

Lincoln Investments
Voya

NOTE 14. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2023:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 20,895	\$ 139,259
Special Revenue Fund	135,259	
Food Service Fund		20,895
Total	\$ 156,154	\$ 156,154

NOTE 15. RISK MANAGEMENT

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

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

NOTE 16. FUND BALANCE APPROPRIATED

General Fund - Of the \$2,861,631 General Fund balance at June 30, 2023, \$1,158,495 is restricted for Capital Reserve; \$640 is assigned for Encumbrances; \$157,363 was restricted as Maintenance Reserve; \$1,118,947 was restricted as excess surplus at June 30, 2023 in accordance with N.J.S.A. 18A:7F-7; of which \$613,558 has been appropriated and included as anticipated revenue for the year ending June 30, 2024; \$0 has been appropriated and included as anticipated revenue for the year ending June 30, 2024; and \$426,186 is unreserved and undesignated.

Debt Service Fund -The unrestricted and undesignated Debt Service fund balance at June 30, 2023 is \$0.

NOTE 17. CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2005, c.73 (S1701), the designation for Reserved Fund Balance -- Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 17. CALCULATION OF EXCESS SURPLUS (CONT'D)

The excess surplus fund balance at June 30, 2023 is \$1,118,947, of which \$613,558 must be budgeted in the 2023-2024 budget and \$505,389 must be budgeted in the 2024-2025 budget.

NOTE 18. LITIGATION

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

NOTE 19. TAX ABATEMENT

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because NJSA 54:4-75 and NJSA 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

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

NOTE 20. DEFICIT FUND BALANCES

The District has a deficit fund balance in the Special Revenue Unassigned Fund Balance of \$36,474 as of June 30, 2023 as reported in the fund statements (modified accrual basis). P.L. 2003, c.97 provides that in the event a state school aid payment is not made until the following school year, districts must record the last state aid payment as revenue, for budgeted purposes only, in the current budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year.

For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry i.e. if one government recognizes as asset, the other government recognizes a liability. Since the state is recording the last state aid payment in the subsequent fiscal year, the school district cannot recognize the last state aid payment on the GAAP financial statements until the year the state records the payable. Due to the timing difference of recording the last state aid payment, the Special Revenue Fund does not alone indicate that the district is facing financial difficulties. The deficit of \$36,474 is equal to the 19th and 20th payments received in July 2023.

NOTE 21. SUBSEQUENT EVENTS

There were no other events noted between the year-end and the date of the audit report, which is November 27, 2023, requiring disclosure..

REQUIRED SUPPLEMENTARY INFORMATION – PART II

BUDGETARY COMPARISON SCHEDULES

MANNINGTON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 3,055,099	\$	\$ 3,055,099	\$ 3,055,099	
Unrestricted Miscellaneous Revenues	1,430		1,430	2,487	1,057
Tuition from Individuals	80,070		80,070	110,956	30,886
Tuition from Other LEA'S within State				15,712	15,712
Interest on Capital Reserve	500		500	4,661	4,161
Interest on Maintenance Reserve	10		10	1,558	1,548
Interest on Investments				6,513	6,513
Total - Local Sources	3,137,109		3,137,109	3,196,986	59,877
State Sources:					
Equalization Aid	31,463		31,463	31,463	
Categorical Transportation Aid	117,432		117,432	117,432	
Categorical Special Education Aid	106,577		106,577	106,577	
Categorical Security Aid	29,905		29,905	29,905	
State Reimbursement Lead Testing Water				2,376	2,376
Supplemental Stabilization Aid				27,548	27,548
Maintenance of Equity				177,504	177,504
On-Behalf TPAF Post Retirement Medical Contrib (non-budgeted)				145,102	145,102
On-Behalf TPAF Long-Term Disability Contrib (non-budgeted)				354	354
On-Behalf TPAF Pension Contribution (non-budgeted)				552,352	552,352
Reimbursement TPAF Social Security (non-budgeted)				133,166	133,166
Total - State Sources	285,377		285,377	1,323,779	1,038,402
Federal Sources:					
Total - Federal Sources					
TOTAL REVENUES	3,422,486		3,422,486	4,520,765	1,098,279
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Preschool	60,000	(30,000)	30,000	24,110	5,890
Kindergarten	92,500	(6,238)	86,262	84,173	2,089
Grades 1-5	580,000	(12,813)	567,187	566,818	369
Grades 6-8	362,000	17,302	379,302	330,905	48,397
Regular Programs - Home Instruction:					
Salaries of Teachers	4,000		4,000		4,000
Purchased Professional-Educational Services	3,000		3,000		3,000
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	3,000	825	3,825	3,080	745
Purchased Professional-Educational Services	13,000	(10,044)	2,956		2,956
Purchased Technical Services	10,000	(4,300)	5,700	5,257	443
Other Purchased Services	30,500	5,236	35,736	26,930	8,806
General Supplies	50,287	(1,120)	49,167	38,473	10,694
Textbooks	10,000	(7,000)	3,000		3,000
Other Objects	1,000		1,000	173	827
Total Regular Programs - Instruction	\$ 1,219,287	\$ (48,152)	\$ 1,171,135	\$ 1,079,919	\$ 91,216

MANNINGTON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
EXPENDITURES:					
Special Education - Instruction:					
Resource Room/Resource Center					
Salaries of Teachers	\$ 191,000	\$ 64,340	\$ 255,340	\$ 253,371	\$ 1,969
General Supplies	3,000	(1,677)	1,323	760	563
Total Resource Room/Resource Center	194,000	62,663	256,663	254,131	2,532
Total Special Education - Instruction	194,000	62,663	256,663	254,131	2,532
Basic Skills/Remedial - Instruction					
Salaries of Teachers					
Total Basic Skills/Remedial - Instruction					
School Sponsored Co-curricular Activities					
Purchased Services	500	614	1,114	1,114	
Other Objects	1,000	(614)	386	355	31
Total School Sponsored Co-curricular Activities	1,500		1,500	1,469	31
Total Instruction	1,414,787	14,511	1,429,298	1,335,519	93,779
Undistributed Expenditures:					
Instruction					
Tuition - Other LEAs Within the State - Regular	308,000		308,000	308,000	
Tuition - Other LEAs Within the State - Special	15,360		15,360	15,240	120
Tuition - County Voc. School Dist. - Regular	104,339		104,339	104,339	
Tuition - CSSD & Reg. Day Schools	224,215	(61,100)	163,115	66,627	96,488
Tuition - Private Schools/Disabled Within State	69,300	(11,000)	58,300		58,300
Total Instruction	721,214	(72,100)	649,114	494,206	154,908
Attendance and Social Work Services:					
Salaries	3,300		3,300	3,146	154
Total Attendance and Social Work Services	\$ 3,300	\$	\$ 3,300	\$ 3,146	\$ 154

MANNINGTON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
EXPENDITURES: (Continued)					
Undistributed Expenditures: (Continued)					
Health Services:					
Salaries	\$ 57,500	\$	\$ 57,500	\$ 55,652	\$ 1,848
Purchased Professional/Technical Services	3,750	(1,070)	2,680	2,500	180
Supplies and Materials	2,000	(1,870)	130	40	90
Total Health Services	63,250	(2,940)	60,310	58,192	2,118
Speech, OT, PT and Related Services:					
Purchased Professional/Educational Services	59,000	(44,145)	14,855	3,600	11,255
Total Speech, OT, PT and Related Services:	59,000	(44,145)	14,855	3,600	11,255
Other Support Services - Extraordinary Services					
Salaries	49,500	(26,000)	23,500	20,607	2,893
Purchased Professional/Educational Services	8,000	11,750	19,750	19,750	
Total Other Support Services - Extraordinary Services	57,500	(14,250)	43,250	40,357	2,893
Guidance					
Total Other Support Serv-Guidance					
Other Support Services-Students-Child Study Teams:					
Salaries of Other Professional Staff	25,500	97,234	122,734	122,734	
Salaries of Secretarial and Clerical Assistants	1,700	(50)	1,650	1,573	77
Purchased Professional/Educational Services	6,000	(1,800)	4,200	1,904	2,296
Miscellaneous Purchased Services	200		200		200
Supplies and Materials	200	200	400	361	39
Total Other Support Serv-Students-Special Services	33,600	95,584	129,184	126,572	2,612
Improvement of Instruction Services:					
Salaries of Other Professional Staff	10,000		10,000		10,000
Salaries of Other Secretarial and Clerical Assistants	1,700		1,700	1,573	127
Purchased Professional Educational Services	1,000	2,000	3,000	1,811	1,189
Other Purchased Services	2,000	(2,000)			
Total Improvement of Instruction Services	14,700		14,700	3,384	11,316
Educational Media Services/School Library:					
Salaries	11,000		11,000	10,837	163
Supplies and Materials	1,000		1,000	159	841
Total Educational Media Services/School Library	\$ 12,000	\$	\$ 12,000	\$ 10,996	\$ 1,004

MANNINGTON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
EXPENDITURES: (Continued)					
Undistributed Expenditures: (Continued)					
Instructional Staff Training Services:					
Other Salaries	\$ 1,000	\$ (1,000)	\$	\$	
Purchased Professional/Educational Services	2,000	1,000	3,000		3,000
Other Purchased Services	6,000	(2,290)	3,710	37	3,673
Total Instructional Staff Training Services	9,000	(2,290)	6,710	37	6,673
Support Services - General Administration:					
Salaries	35,000	639	35,639	25,104	10,535
Legal Fees	2,000		2,000	1,768	232
Audit Fees	14,000	415	14,415	14,415	
Other Purchased Professional Services	3,500	1,940	5,440	5,290	150
Communications/Telephone	10,200	(278)	9,922	9,883	39
Other Purchased Services	11,500	1,367	12,867	12,135	732
General Supplies	1,000	(888)	112		112
BOE In-House Training/Meeting Supplies	250		250	93	157
Miscellaneous Expenditures	2,000	389	2,389	2,389	
BOE Membership Dues and Fees	3,000	(389)	2,611	2,380	231
Total Support Services - General Administration	82,450	3,195	85,645	73,457	12,188
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	69,000	(8,614)	60,386	34,782	25,604
Salaries of Secretarial/Clerical Assistants	22,000	1	22,001	20,764	1,237
Supplies and Materials	1,200	(1)	1,199	980	219
Total Support Services - School Administration	92,200	(8,614)	83,586	56,526	27,060
Central Services:					
Salaries	53,000	5,625	58,625	56,959	1,666
Purchased Technical Services	15,000	29	15,029	15,029	
Miscellaneous Purchased Services	1,250	1,921	3,171	3,114	57
Supplies and Materials	1,000	(467)	533	334	199
Miscellaneous Expenditures	1,000	17	1,017	1,017	
Total Central Services	\$ 71,250	\$ 7,125	\$ 78,375	\$ 76,453	\$ 1,922

**MANNINGTON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
EXPENDITURES: (Continued)					
Undistributed Expenditures: (Continued)					
Operation and Maintenance of Plant Services:					
Required Maintenance for School Facilities:					
Increase in Maintenance Reserve					
Salaries	\$ 31,000	\$ 2,209	\$ 33,209	\$ 33,209	
Cleaning, Repair and Maintenance Services	45,000	3,635	48,635	48,635	
Lead Testing of Drinking Water	1,000		1,000		1,000
General Supplies	7,500	452	7,952	7,952	
Total Required Maintenance for School Facilities	84,500	6,296	90,796	89,796	1,000
Undistributed Expenditures - Custodial Services					
Salaries	28,000	13,814	41,814	27,686	14,128
Salaries of Non- Instructional Aides	8,000	(7,500)	500		500
Purchased Professional/Technical Services	8,000	2,989	10,989	9,475	1,514
Cleaning, Repair and Maintenance Services	6,000	13,702	19,702	19,702	
Insurance	17,000	(2,944)	14,056	14,053	3
Miscellaneous Purchased Services	1,000	(500)	500	490	10
General Supplies	10,000	(5,412)	4,588	4,105	483
Energy (Natural Gas)	20,000	4,600	24,600	24,457	143
Energy (Electricity)	40,000	(4,247)	35,753	35,753	
Other Objects	450	(359)	91		91
Total Other Operation and Maint. of Plant Services	138,450	14,143	152,593	135,721	16,872
Total Operation and Maintenance of Plant Services	222,950	20,439	243,389	225,517	17,872
Student Transportation Services:					
Sal. For Pupil Trans (Bet Home & School)- Reg	3,800	5,250	9,050	8,992	58
Other Purchased Prof. And Technical Serv.	1,000	(989)	11		11
Contracted Serv. - Aid in Lieu of Payments- Non Pub	5,000	(3,261)	1,739	717	1,022
Contracted Services (Home/School) Vendors	191,720	(23,897)	167,823	167,808	15
Contracted Services (Not Home/School) Vendors	5,000	1,602	6,602	6,602	
Contracted Services (Regular Students) ESC's	35,000		35,000	18,509	16,491
Contracted Services (Special Education) ESC's	35,000	27,995	62,995	62,995	
Total Student Transportation Services	276,520	6,700	283,220	265,623	17,597
Unallocated Benefits:					
Social Security Contributions	30,000	11,000	41,000	21,603	19,397
Other Retirement Contributions - PERS	35,000	5,751	40,751	40,751	
Unemployment Compensation	9,000	435	9,435	9,435	
Workmen's Compensation	25,000	(3,199)	21,801	21,160	641
Health Benefits	540,000	(50,062)	489,938	451,568	38,370
Tuition Reimbursement	8,000		8,000	8,000	
Other Employee Benefits	35,000	(10,000)	25,000	18,407	6,593
Total Unallocated Benefits	682,000	(46,075)	635,925	570,924	65,001
On-Behalf TPAF Post Retiremt. Medical Contrib.(non-budgeted)				145,102	(145,102)
On-Behalf TPAF Long-Term Disability Contrib (non-budgeted)				354	(354)
On-Behalf TPAF Pension Contribution (non-budgeted)				552,352	(552,352)
Reimbursed TPAF Soc. Sec. Contrib. (non-budgeted)				133,166	(133,166)
Total Undistributed Expenditures	2,400,934	(57,371)	2,343,563	2,839,964	(496,401)
Interest Earned on Maintenance Reserve	10		10		10
TOTAL EXPENDITURES - CURRENT EXPENSE	\$ 3,815,731	\$ (42,860)	\$ 3,772,871	\$ 4,175,483	\$ (402,612)

MANNINGTON TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
CAPITAL OUTLAY:					
Interest Deposit to Capital Reserve	\$	\$	\$	\$	\$
Equipment					
Undistributed Expenditures - Required Maintenance		11,712	11,712	11,712	
		<u>11,712</u>	<u>11,712</u>	<u>11,712</u>	
Facilities Acquisition and Construction Services:					
Required Maintenance for School Facilities					
Total Facilities Acquisition and Construction Services					
Interest Deposit to Capital Reserve	500		500		500
TOTAL CAPITAL OUTLAY	<u>500</u>	<u>11,712</u>	<u>12,212</u>	<u>11,712</u>	<u>500</u>
TOTAL EXPENDITURES	<u>3,816,231</u>	<u>(31,148)</u>	<u>3,785,083</u>	<u>4,187,195</u>	<u>(402,112)</u>
Excess (Deficiency) of Revenues and Other Over (Under) Expenditures	<u>(393,745)</u>	<u>31,148</u>	<u>(362,597)</u>	<u>333,570</u>	<u>696,167</u>
Other Financing Sources (uses):					
Transfer to Preschool Inclusion	(27,018)	(20,757)	(47,775)	(47,775)	
Transfer to Capital Projects		(31,890)	(31,890)	(31,600)	290
Transfer to Food Service	(10,000)		(10,000)		10,000
Total Other Financing Sources	<u>(37,018)</u>	<u>(52,647)</u>	<u>(89,665)</u>	<u>(79,375)</u>	<u>10,290</u>
Excess (deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(430,763)</u>	<u>(21,499)</u>	<u>(452,262)</u>	<u>254,195</u>	<u>706,457</u>
Fund Balances, July 1	<u>2,636,302</u>		<u>2,636,302</u>	<u>2,636,302</u>	
Fund Balances, June 30	<u>\$ 2,205,539</u>	<u>\$ (21,499)</u>	<u>\$ 2,184,040</u>	<u>\$ 2,890,497</u>	<u>\$ 706,457</u>
<u>RECAPITULATION :</u>					
Restricted Fund Balance:					
Capital Reserve				\$ 1,158,495	
Maintenance Reserve				157,363	
Excess Surplus				505,389	
Excess Surplus - Designated for Subsequent Year's Expenditures				613,558	
Assigned to Year-End Encumbrances				640	
Assigned Fund Balance:					
Designated for Subsequent Year's Expenditures					
Unassigned Fund Balance				<u>455,052</u>	
				2,890,497	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment not Recognized on GAAP Basis				(28,866)	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 2,861,631</u>	

**MANNINGTON TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:					
Federal Sources	\$ 1,165,157	\$ 64,418	\$ 1,229,575	\$ 508,070	\$ (721,505)
State Sources	435,288	24,670	459,958	314,216	(145,742)
Revenue from Local Sources	2,000	17,107	19,107	19,107	
Total Revenues	1,602,445	106,195	1,708,640	841,393	(867,247)
EXPENDITURES:					
Instruction					
Salaries of Teachers	338,086	41,608	379,694	240,097	139,597
Other Salaries for Instruction	53,781		53,781	50,761	3,020
Purchased Professional/Technical Services	1,549		1,549	1,095	454
Purchased Professional/Educational Services	263,000		245,000	61,063	183,937
Other Purchased Services	49,500	(4,706)	44,794	20,499	24,295
General Supplies	71,094	9,390	80,484	26,725	53,759
Other Objects	3,000	(750)	2,250	641	1,609
Total Instruction	780,010	27,542	807,552	400,881	406,671
Support Services					
Salaries of Supervisors	19,875		19,875	19,875	
Salaries - Other Professionals	22,560		22,560	22,560	
Secretarial and Clerical Salaries	12,912		12,912	12,912	
Salaries - Other	89,915	6,941	96,856	38,876	57,980
Family/Parent Liaison	6,252	3,748	10,000	10,000	
Facilitator/Coach/Master	20,000		20,000	20,000	
Employee Benefits	93,000	10,425	103,425	89,520	13,905
Purchased Professional/Technical Services	194,152	18,718	212,870	106,699	106,171
Purchased Professional/Educational Services	5,000		5,000		5,000
Purchased Property Services	39,292		39,292	5,293	33,999
Other Purchased Professional Services	25,800	9,448	35,248	28,066	7,182
Clean/Repair/Maint Svc.					
Contracted Services	5,000		5,000	4,916	84
Supplies & Materials	52,630		33,523	28,426	5,097
Other Objects					
Student Activities		19,107	19,107	17,821	1,286
Total Support Services	586,388	49,280	635,668	404,964	230,704
Capital Outlay:					
Equipment :					
Instructional Equipment	18,980		18,980	11,533	7,447
Non-instructional Equipment	217,067	11,363	228,430	54,494	173,936
Total Equipment	236,047	11,363	247,410	66,027	181,383
Facilities Acquisition and Construction Services:					
Construction		18,010	18,010	18,010	
Total Facilities Acquisition and Construction Services	236,047	29,373	265,420	84,037	181,383
Total Expenditures	1,602,445	106,195	1,708,640	889,882	818,758
Other Financing Sources (Uses)					
Total Outflows	1,602,445	106,195	1,708,640	889,882	818,758
Excess (Deficiency) of Revenues Over (Under) Expenditures				\$ (48,489)	\$ (48,489)
Add: Preschool Inclusion				47,775	47,775
Fund Balance, July 1				13,153	
Fund Balance, June 30				\$ 12,439	
Recapitulation:					
Restricted:					
Student Activities				12,439	
Total Fund Balance				\$ 12,439	

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

MANNINGTON TOWNSHIP SCHOOL DISTRICT
BUDGET-TO-GAAP RECONCILIATION
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

**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-1] \$	4,520,765	[E-1] \$	841,393
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.				(838)
Current Year				
Prior Year				12,690
State aid payment recognized for Gaap statements in the current year, previously recognized for budgetary purposes.		30,461		29,161
State aid payment recognized for budgetary purposes, not recognized for GAAP statements		(28,866)		(36,474)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2] \$	4,522,360	[B-2] \$	845,932
Uses/outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1] \$	4,187,195	[E-1] \$	889,882
Differences - budget to GAAP				
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.				(838)
Current Year				
Prior Year				12,690
State aid payment recognized for Gaap statements in the current year, previously recognized for budgetary purposes.				
State aid payment recognized for budgetary purposes, not recognized for GAAP statements				
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2] \$	4,187,195	[B-2] \$	901,734

REQUIRED SUPPLEMENTARY INFORMATION PART III

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability	0.003161%	0.002578%	0.002086%	0.002725%	0.003484%	0.003715%	0.004063%	0.004222%	0.004232%	0.004692%
District's Proportionate Share of the Net Pension Liability	\$ 477,113	\$ 305,409	\$ 340,205	\$ 491,055	\$ 686,031	\$ 864,755	\$ 1,203,274	\$ 947,862	\$ 792,369	\$ 896,753
District's Covered-Employee Payroll	\$ 240,467	\$ 206,859	\$ 226,978	\$ 184,072	\$ 162,139	\$ 193,672	\$ 253,825	\$ 257,366	\$ 277,149	\$ 287,786
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	198.41%	147.64%	149.88%	266.77%	423.11%	446.50%	474.06%	368.29%	285.90%	311.60%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	62.91%	70.33%	58.32%	58.27%	53.60%	48.10%	48.10%	40.14%	47.93%	52.08%

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

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

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 39,868	\$ 30,192	\$ 22,822	\$ 26,618	\$ 34,791	\$ 34,877	\$ 36,200	\$ 36,302	\$ 34,889	\$ 35,354
Contributions in relation to the Contractually Required Contribution	(39,868)	(30,192)	(22,822)	(26,618)	(34,791)	(34,877)	(36,200)	(36,302)	(34,889)	(35,354)
Contribution Deficiency (Excess)	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
District's Covered-Employee Payroll	\$ 240,467	\$ 206,859	226,978	184,072	\$ 162,139	\$ 193,672	\$ 253,825	\$ 257,366	\$ 277,149	\$ 287,786
Contributions as a Percentage of Covered-Employee Payroll	16.58%	14.60%	10.05%	14.46%	21.46%	18.01%	14.26%	14.11%	12.59%	12.28%

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

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's Proportion of the Net Pension Liability	0.012655%	0.013025%	0.011415%	0.011240%	0.010491%	0.010715%	0.011214%	0.010929%	0.011818%	0.011685%
District's Proportionate Share of the Net Pension Liability	\$ 6,529,355	\$ 6,262,002	\$ 7,516,885	\$ 6,897,847	\$ 6,673,922	\$ 7,224,546	\$ 8,821,920	\$ 6,907,341	\$ 6,316,522	\$ 5,905,382
District's Covered-Employee Payroll	\$ 1,799,567	\$ 1,627,983	\$ 1,509,708	\$ 1,392,997	\$ 1,279,166	\$ 1,234,278	\$ 1,163,789	\$ 1,093,431	\$ 1,080,037	\$ 1,159,914
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	362.83%	384.65%	497.90%	495.18%	521.74%	585.33%	758.03%	631.71%	584.84%	509.12%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB Liability						
Service Cost	\$ 382,648	\$ 473,320	\$ 229,245	\$ 213,183	\$ 236,444	\$ 285,996
Interest Cost	216,908	229,391	221,756	286,766	315,083	274,696
Changes of Benefit Terms		(9,412)				
Differences Between Expected and Actual Experiences	1,146,163	(1,898,124)	1,877,314	(1,503,853)	(896,985)	
Changes of Assumptions	(2,195,663)	8,724	1,865,692	92,325	(836,351)	(1,157,906)
Member Contributions	6,893	5,864	5,389	5,634	6,735	7,384
Gross Benefit Payments	(214,854)	(180,696)	(177,812)	(190,079)	(194,882)	(200,538)
Net Change in Total OPEB Liability	<u>(657,905)</u>	<u>(1,370,933)</u>	<u>4,021,584</u>	<u>(1,096,024)</u>	<u>(1,369,956)</u>	<u>(790,368)</u>
Total OPEB Liability - Beginning	<u>8,842,767</u>	<u>10,213,700</u>	<u>6,192,116</u>	<u>7,288,140</u>	<u>8,658,006</u>	<u>9,448,374</u>
Total OPEB Liability - Ending	<u>\$ 8,184,862</u>	<u>\$ 8,842,767</u>	<u>\$ 10,213,700</u>	<u>\$ 6,192,116</u>	<u>\$ 7,288,140</u>	<u>\$ 8,658,006</u>
Covered-Employee Payroll	<u>\$ 2,040,034</u>	<u>\$ 1,834,842</u>	<u>\$ 1,736,686</u>	<u>\$ 1,577,069</u>	<u>\$ 1,441,305</u>	<u>\$ 1,427,950</u>
Total OPEB Liability as a Percentage of Covered-Employee Payroll	401.21%	481.94%	588.11%	392.63%	505.66%	606.32%

Notes to Schedule:

Changes of Benefit Terms: The decrease in liability from June 30, 2020 to June 30, 2021 is due to employers adopting Chapter 44 provisions.

Differences Between Expected and Actual Experiences: The decrease in liability from June 30, 2020 to June 30, 2021 is due to changes in the census.

Changes in Assumptions: The increase in the liability from June 30, 2020 to June 30, 2021 is due to the combined effect of Trend Updates, Mortality Projection Scale Updates, Discount Rate Changes, and Salary Scale changes.

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

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND DETAIL STATEMENTS

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

MANNINGTON TOWNSHIP SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
SPECIAL REVENUE FUND - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2022)

	NCLB				REAP Grant	Student Activity	Safety Grant	CRRSA Consolidated		ARP Consolidated			Sub-Total Per E-1(2)	Totals		
	Title I	Part A	Title II	Title IV				ESSER II	Mental Health	ARP ESSER	Accel. Learning	Beyond School		Mental Health	2023	2022
	2022-23	2021-22														
REVENUES:																
Federal Sources	\$ 66,712	\$ 19,220	\$ 3,606	\$ 16,778	\$ 17,778	\$	\$	\$ 113,595	\$ 12,400	\$ 165,921	\$ 14,471	\$ 537	\$ 17,471	\$ 59,581	\$ 508,070	\$ 433,093
State Sources														314,216	314,216	289,297
Local Sources						17,107	2,000								19,107	22,632
Total Revenues	66,712	19,220	3,606	16,778	17,778	17,107	2,000	113,595	12,400	165,921	14,471	537	17,471	373,797	841,393	745,022
EXPENDITURES:																
Instruction:																
Salaries of Teachers	34,930							66,115		7,978		499		130,575	240,097	218,313
Other Salaries for Instruction														50,761	50,761	51,154
Purchased Professional/Technical Services				1,095											1,095	15,660
Purchased Professional/Educational Services								5,001		56,062					61,063	64,054
Other Purchased Services	5,293							9,500		5,706					20,499	23,925
General Supplies				536	6,245			395		10,476				9,073	26,725	55,940
Other Objects														641	641	1,300
Total Instruction	40,223			1,631	6,245			81,011		80,222		499		191,050	400,881	430,346
Support Services:																
Salaries of Supervisors														19,875	19,875	19,372
Salaries - Other Professionals								4,250						18,310	22,560	26,848
Secretarial and Clerical Salaries														12,912	12,912	6,917
Salaries - Other				12,841				1,677		10,843				13,515	38,876	30,143
Family/Parent Liaison														10,000	10,000	13,933
Facilitator/Coach/Master														20,000	20,000	19,584
Employee Benefits	18,489	19,220		982				5,796		1,155		38		43,840	89,520	45,139
Purchased Professional/Technical Services	8,000		3,606							12,180	14,471		17,471	50,971	106,699	75,131
Purchased Professional/Educational Services																33,227
Purchased Property Services										5,293					5,293	3,346
Other Purchased Professional Services				1,324				5,732	12,400					8,610	28,066	3,697
Clean/Repair/Maint Svc.																1,358
Contracted Services														4,916	4,916	780.00
Supplies & Materials							2,000	12,622		7,041				6,763	28,426	24,161
Other Objects																152
Student Activities						17,821									17,821	18,299
Total Support Services	26,489	19,220	3,606	15,147		17,821	2,000	30,077	12,400	36,512	14,471	38	17,471	209,712	404,964	322,087
Capital Outlay:																
Equipment:																
Instructional Equipment					11,533										11,533	11,398
Non-Instructional Equipment								2,507		49,187				2,800	54,494	12,400
Total Equipment					11,533			2,507		49,187				2,800	66,027	23,798
Facilities Acquisition/Construction:																
Construction														18,010	18,010	
Total Facilities Acquisition/Construction						11,533		2,507		49,187				20,810	84,037	23,798
Total Expenditures	\$ 66,712	\$ 19,220	\$ 3,606	\$ 16,778	\$ 17,778	\$ 17,821	\$ 2,000	\$ 113,595	\$ 12,400	\$ 165,921	\$ 14,471	\$ 537	\$ 17,471	\$ 421,572	\$ 889,882	\$ 776,231
Excess (Deficiency) of Revenues and Other Over (Under) Expenditures															(48,489)	(31,209)
Preschool Inclusion															47,775	34,134
Excess (Deficiency) of Revenues and Other Over (Under) Expenditures						(714)									(714)	2,925
Fund Balance, July 1						13,153									13,153	10,228
Fund Balance, June 30	\$	\$	\$	\$	\$	\$ 12,439	\$	\$	\$	\$	\$	\$	\$	\$	\$ 12,439	\$ 13,153

MANNINGTON TOWNSHIP SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
SPECIAL REVENUE FUND - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2022)

	Preschool Education Program	IDEA		ARP		Climate Awareness	Security Grant- Alyssa's Law	Totals 2023
		Basic Part B	Part B Pre- School	Part B IDEA Basic	Pre- School			
REVENUES:								
Federal Sources	\$	\$ 49,958	\$ 1,013	\$ 7,934	\$ 676	\$	\$	\$ 59,581
State Sources	289,565					6,641	18,010	314,216
Other								
Total Revenues	289,565	49,958	1,013	7,934	676	6,641	18,010	373,797
EXPENDITURES:								
Instruction:								
Salaries of Teachers	130,575							130,575
Other Salaries for Instruction	50,761							50,761
Other Purchased Professional Services								
General Supplies	3,073					6,000		9,073
Other Objects						641		641
Total Instruction	184,409					6,641		191,050
Support Services:								
Salaries of Supervisors	19,875							19,875
Salaries - Other Professionals	18,310							18,310
Secretarial and Clerical Salaries	12,912							12,912
Salaries - Other	13,515							13,515
Family/Parent Liaison	10,000							10,000
Facilitator/Coach/Master	20,000							20,000
Employee Benefits	43,840							43,840
Purchased Professional/Technical Services		49,958	1,013					50,971
Purchased Professional/Educational Services								
Purchased Property Services								
Other Purchased Professional Services				7,934	676			8,610
Clean/Repair/Maint Svc.								
Contracted Services	4,916							4,916
Supplies & Materials	6,763							6,763
Other Objects								
Student Activities								
Total Support Services	150,131	49,958	1,013	7,934	676			209,712
Facilities Acquisition/Construction:								
Instructional Equipment								
Noninstructional Equipment	2,800							2,800
Facilities							18,010	18,010
Total Facilities Acquisition/Construction	2,800						18,010	20,810
Total Expenditures	\$ 337,340	\$ 49,958	\$ 1,013	\$ 7,934	\$ 676	\$ 6,641	\$ 18,010	\$ 421,572
Excess of Expenditures over Revenue	\$ (47,775)							\$ (47,775)
Preschool Inclusion	47,775							47,775
Excess of Expenditures over Revenue	\$							\$

MANNINGTON TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION AID
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 158,648	\$ 130,575	\$ 28,073
Other Salaries for Instruction	53,781	50,761	3,020
Supplies & Materials	6,750	3,073	3,677
Other Objects	250		250
Total Instruction	<u>219,429</u>	<u>184,409</u>	<u>35,020</u>
Support Services:			
Salaries of Supervisors	19,875	19,875	
Salaries - Other Professionals	18,310	18,310	
Salaries Sec/Clerical	12,912	12,912	
Other Salaries	13,515	13,515	
Family/Parent Liaison	10,000	10,000	
Facilitator/Coach/Master	20,000	20,000	
Employee Benefits	61,034	43,840	17,194
Purchased Professional/Educational Services	5,000		5,000
Other Purchased Professional Services	10,000		10,000
Contracted Services	5,000	4,916	84
Supplies & Materials	11,596	6,763	4,833
Total Support Services	<u>187,242</u>	<u>150,131</u>	<u>37,111</u>
Facilities Acquisition and Const. Services:			
Instructional Equipment	15,014		15,014
Non-instructional Equipment	13,603	2,800	10,803
Total Facilities Acquisition and Const. Services	<u>28,617</u>	<u>2,800</u>	<u>25,817</u>
Total Expenditures	<u>\$ 435,288</u>	<u>\$ 337,340</u>	<u>\$ 97,948</u>

CALCULATION OF BUDGET & CARRYOVER

Total 2022-2023 Preschool Education Aid Allocation	\$ 364,743	(1)
Add: Actual ECPA Carryover (June 30, 2022)	22,770	(2)
Add: Budgeted Transfer from General Fund 2022-2023	47,775	(3)
Total Preschool Education Aid Funds Available for 2022-2023 Budget	<u>435,288</u>	<u>(4)</u>
Less: 2022-2023 Budgeted Preschool Education Aid and Prior Year Budgeted (Carryover)	<u>(435,288)</u>	<u>(5)</u>
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2023		(6)
Add: June 30, 2023 Unexpended Preschool Education Aid	97,948	(7)
Less: 2022-2023 Commissioner-approved Transfer to the General Fund		(8)
2022-2023 Carryover - Preschool Education Aid	<u>\$ 97,948</u>	(9)
2022-2023 Preschool Education Aid Carryover Budgeted for Preschool Programs 2023-2024	<u>\$ 22,770</u>	(10)

CAPITAL PROJECTS FUND DETAIL STATEMENT

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

MANNINGTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

<u>Project Title</u>	<u>Approval Date</u>	<u>Appropriations</u>	<u>Cancelled</u>	<u>GAAP Expenditures to Date</u>		<u>Unexpended Balances 6/30/23</u>	<u>Memo Only</u>	
				<u>Prior Year</u>	<u>Current Year</u>		<u>Encumbrances</u>	<u>Available Balances</u>
Fire Alarm Upgrade	2022-23	\$ 31,600	\$	\$	\$ 31,600	\$	\$	\$
		<u>\$ 31,600</u>	<u>\$</u>	<u>\$</u>	<u>\$ 31,600</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

MANNINGTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Revenues and Other Financing Sources

Transfer from Capital Reserve Funds \$ 31,600

Total Revenues 31,600

Expenditures and Other Financing Uses

Construction Services 31,600

Total Expenditures 31,600

Excess (Deficiency) of Revenues Over (Under) Expenditures

Fund Balance - Beginning

Fund Balance - Ending \$

MANNINGTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES
PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
FIRE ALARM UPGRADE
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve Funds	\$ 31,600	\$	\$ 31,600	\$ 31,600
Total Revenues	<u>31,600</u>		<u>31,600</u>	<u>31,600</u>
Expenditures and Other Financing Uses				
Construction Services	31,600		31,600	31,600
Total Expenditures	<u>31,600</u>		<u>31,600</u>	<u>31,600</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Additional Project Information:				
Total Projected Cost	\$31,600			
Percentage Completion	100%			
Original Target Completion Date	6/30/2023			
Revised Target Completion Date	6/30/2023			

PROPRIETARY FUND DETAIL STATEMENTS

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

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

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

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

MANNINGTON TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUND
COMBINED SCHEDULE OF NET POSITION
AS OF JUNE 30, 2023 AND 2022

	<u>Food Service Fund</u>	<u>SACC Program</u>	<u>Total</u>	
			<u>2023</u>	<u>2022</u>
ASSETS:				
Current Assets:				
Cash and Cash Equivalents	\$ 78,614	\$ 19,758	\$ 98,372	\$ 73,365
Accounts Receivable:				
State	53		53	106
Federal	2,222		2,222	14,336
Other	534	7,129	7,663	4,070
Inventory	2,830		2,830	5,339
Total Current Assets	<u>84,253</u>	<u>26,887</u>	<u>111,140</u>	<u>97,216</u>
Fixed Assets:				
Equipment	36,740		36,740	36,740
Accumulated Depreciation	(9,917)		(9,917)	(7,781)
Total Fixed Assets	<u>26,823</u>		<u>26,823</u>	<u>28,959</u>
Total Assets	<u>111,076</u>	<u>26,887</u>	<u>137,963</u>	<u>126,175</u>
LIABILITIES:				
Current Liabilities:				
Unearned Revenue	1,089	84	1,173	1,116
Accounts Payable				
Due to General Fund	20,895		20,895	20,895
Total Liabilities	<u>21,984</u>	<u>84</u>	<u>22,068</u>	<u>22,011</u>
NET POSITION:				
Investment in Fixed Assets	26,823		26,823	28,959
Unrestricted	62,269	26,803	89,072	75,205
Total Net Position	<u>\$ 89,092</u>	<u>\$ 26,803</u>	<u>\$ 115,895</u>	<u>\$ 104,164</u>

MANNINGTON TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUND
COMPARATIVE SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022

	Food Service Fund	SACC Program	Total	
			2023	2022
OPERATING REVENUES:				
Local Sources:				
Food Sales Reimbursable Programs	\$ 23,522	\$	\$ 23,522	\$
Food Sales Non-Reimbursable Programs	10,376		10,376	6,847
SACC Revenue		35,664	35,664	22,423
Total Operating Revenue	33,898	35,664	69,562	29,270
OPERATING EXPENSES:				
Cost of Sales - Reimbursable Programs	42,584		42,584	37,747
Cost of Sales - Non-Reimbursable Programs	4,274		4,274	2,457
Salaries	23,489	20,062	43,551	39,407
Employee Benefits	4,250	1,535	5,785	5,068
General Supplies	15,226	828	16,054	3,887
Depreciation	2,136		2,136	1,476
Total Operating Expenses	91,959	22,425	114,384	90,042
Operating Income/(Loss)	(58,061)	13,239	(44,822)	(60,772)
NON-OPERATING REVENUES:				
State Sources:				
State School Lunch Program	1,008		1,008	1,818
State School Breakfast Program	58		58	
Federal Sources:				
National School Lunch Program	28,449		28,449	77,322
School Breakfast Program	6,073		6,073	24,024
P-EBT Administrative Cost	653		653	1,242
Supply Chain Assistance Round 2	8,019		8,019	8,331
Supply Chain Assistance Round 3	6,362		6,362	
USDA Commodities	5,931		5,931	6,008
Total Non-Operating Revenues	56,553		56,553	118,745
Change in Net Position before Operating Transfers				
In/(Out)	(1,508)	13,239	11,731	57,973
Operating Transfer In - General Fund				
Fixed Asset Adjustment				4,937
Net (Loss) Income	(1,508)	13,239	11,731	62,910
Net Position - July 1	90,600	13,564	104,164	41,254
Net Position - June 30	\$ 89,092	\$ 26,803	\$ 115,895	\$ 104,164

MANNINGTON TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUND
COMBINING SCHEDULE OF CASH FLOWS
AS OF JUNE 30, 2023

		Food Service Fund		SACC Program		Total	
						2023	2022
Cash Flows from Operating Activities:							
Receipts from Customers	\$	33,898	\$	35,664	\$	69,562	\$ 29,270
Payments to Employees		(23,489)		(20,062)		(43,551)	(39,407)
Payments for Employee Benefits		(4,250)		(1,535)		(5,785)	(5,068)
Payments to Suppliers		(47,622)		(4,150)		(51,772)	(64,312)
Net Cash Used by Operating Activities		(41,463)		9,917		(31,546)	(79,517)
Cash Flows from Noncapital Financing Activities							
Operating Transfer In-General Fund							
Cash Received from State and Federal Reimbursements		56,553				56,553	118,745
Net Cash Provided by Noncapital Financing Activities		56,553				56,553	118,745
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES							
Purchase of Fixed Assets							
Net Cash Provided by (Used for) Capital Financing Activities							
Net Increase (Decrease) in Cash		15,090		9,917		25,007	39,228
Cash and Cash Equivalents, July 1		63,524		9,841		73,365	34,137
Cash and Cash Equivalents, June 30	\$	78,614	\$	19,758	\$	98,372	\$ 73,365
Operating Income (Loss)	\$	(58,061)	\$	13,239	\$	(44,822)	\$ (60,772)
Adjustments to Reconcile Operating Income (Loss) to Cash Used by Operating Activities:							
Depreciation		2,136				2,136	1,476
Change in Assets and Liabilities:							
(Increase)/Decrease in Accounts Receivable		11,849		(3,275)		8,574	(12,943)
(Increase)/Decrease in Inventory		2,509				2,509	(4,436)
Increase/(Decrease) in Accounts Payable							(20,895)
Increase/(Decrease) in Due to General							18,395
Increase/(Decrease) in Unearned Revenue		104		(47)		57	(342)
Total Adjustments		16,598		(3,322)		13,276	(18,745)
Net Cash Used by Operating Activities	\$	(41,463)	\$	9,917	\$	(31,546)	\$ (79,517)

MANNINGTON TOWNSHIP SCHOOL DISTRICT
INTERNAL SERVICE FUND
COMBINING SCHEDULE OF NET POSITION
AS OF JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
ASSETS:		
Cash and Cash Equivalents	\$ 19,868	\$ 19,778
Accounts Receivable		
	<u> </u>	<u> </u>
Total Assets	<u>\$ 19,868</u>	<u>\$ 19,778</u>
LIABILITIES:		
Unearned Revenues	\$	\$
Accounts Payable		
	<u> </u>	<u> </u>
Total Liabilities		
NET POSITION		
Net Position	19,868	19,778
	<u> </u>	<u> </u>
Total Net Position	<u>19,868</u>	<u>19,778</u>
Total Liabilities and Net Position	<u>\$ 19,868</u>	<u>\$ 19,778</u>

MANNINGTON TOWNSHIP SCHOOL DISTRICT
INTERNAL SERVICE FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
OPERATING REVENUES:		
Shared Services - Other LEA	\$ 229,808	\$ 97,000
Total Operating Revenue	<u>229,808</u>	<u>97,000</u>
OPERATING EXPENSES:		
Salaries	193,470	89,917
Employee Benefits	36,248	4,440
Total Operating Expenses	<u>229,718</u>	<u>94,357</u>
Net Income (Loss)	<u>90</u>	<u>2,643</u>
Net Position - July 1	<u>19,778</u>	<u>17,135</u>
Net Position - June 30	<u>\$ 19,868</u>	<u>\$ 19,778</u>

MANNINGTON TOWNSHIP SCHOOL DISTRICT
INTERNAL SERVICE FUND
COMBINING SCHEDULE OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
Cash Flows from Operating Activities:		
Receipts from Customers	\$ 229,808	\$ 97,000
Payments to Employees and Employee Benefits	(229,718)	(94,357)
	<u>90</u>	<u>2,643</u>
Net Cash Provided (Used) by Operating Activities	90	2,643
Net Increase in Cash and Cash Equivalents	<u>90</u>	<u>2,643</u>
Cash and Cash Equivalents, July 1	19,778	17,135
Cash and Cash Equivalents, June 30	<u>\$ 19,868</u>	<u>\$ 19,778</u>
Operating Income (Loss)	\$ 90	\$ 2,643
Adjustments to Reconcile Operating Income (Loss) to Cash Provided (Used) by Operating Activities		
Cancellation of Prior Year Accounts Receivable		
Change in Assets and Liabilities:		
(Increase)/Decrease in Intergovernmental Accounts Receivable		
Increase/(Decrease) in Unearned Revenue		
	<u>90</u>	<u>2,643</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 90</u>	<u>\$ 2,643</u>

LONG-TERM DEBT SCHEDULES

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

MANNINGTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF OBLIGATION UNDER SERIAL BONDS
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount OF Issue</u>	<u>Annual Maturities Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance July 1, 2022</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2023</u>
Refunding of Series 3/1/06 Issue - Renovations to the Elementary School	4/12/16	\$ 1,400,000	3/1/24	\$ 140,000	1.93%	\$ 570,000		\$ 145,000	\$ 425,000
			3/1/25	145,000					
			3/1/26	140,000					
						\$ 570,000	\$	\$ 145,000	\$ 425,000
						\$ 570,000	\$	\$ 145,000	\$ 425,000

MANNINGTON TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:					
Local Sources					
Local Tax Levy	\$ 102,009	\$	\$ 102,009	\$ 102,921	\$ 912
State Sources					
Debt Service Aid - Type II	53,992		53,992	53,041	(951)
Total Revenues	156,001		156,001	155,962	(39)
EXPENDITURES:					
Regular Debt Service					
Redemption of Bond Principal	145,000		145,000	145,000	
Interest on Bonds	11,001		11,001	11,001	
Total Expenditures	156,001		156,001	156,001	
Excess (Deficiency) of Revenues Over (Under)					
Expenditures and Other Financing Sources (Uses)					
				(39)	(39)
Fund Balance - July 1, 2022				39	39
Fund Balance - June 30, 2023	\$	\$	\$	\$	\$

STATISTICAL SECTION

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

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental Activities										
Invested in Capital Assets, Net of Related Debt (Deficit) \$	(133,151)	(106,897)	(78,130)	(17,208)	39,570	241,754	364,079	513,139	577,427	679,325
Restricted	111,476	274,249	772,771	1,297,747	1,700,813	1,726,051	2,007,597	2,185,613	2,398,713	2,447,244
Unrestricted (Deficit)	49,339	(718,844)	(680,522)	(762,209)	(787,747)	(669,303)	(679,375)	(543,233)	(423,775)	(113,286)
Total Governmental Activities Net Position	\$ 27,664	\$ (551,492)	\$ 14,119	\$ 518,330	\$ 952,636	\$ 1,298,502	\$ 1,692,301	\$ 2,155,519	\$ 2,552,365	\$ 3,013,283
Business-Type Activities										
Invested in Capital Assets, Net of Related Debt	\$ 4,461	\$ 2,372	\$ 2,162	\$ 9,855	\$ 9,167	\$ 8,478	\$ 7,791	\$ 25,498	\$ 28,959	\$ 26,823
Unrestricted (Deficit)	200	3,676	7,523	(1,110)	1,532	9,963	17,851	15,756	75,205	89,072
Total Business-Type Activities Net Position	\$ 4,661	\$ 6,048	\$ 9,685	\$ 8,745	\$ 10,699	\$ 18,441	\$ 25,642	\$ 41,254	\$ 104,164	\$ 115,895
District-Wide										
Invested in Capital Assets, Net of Related Debt (Deficit) \$	(128,690)	(104,525)	(75,968)	(7,353)	48,737	250,232	371,870	538,637	606,386	706,148
Restricted	111,476	274,249	772,771	1,297,747	1,700,813	1,726,051	2,007,597	2,185,613	2,398,713	2,447,244
Unrestricted (Deficit)	49,539	(715,168)	(872,999)	(763,319)	(786,215)	(659,340)	(661,524)	(527,477)	(348,570)	(24,214)
Total District-Wide Net Position	\$ 32,325	\$ (545,444)	\$ 23,804	\$ 527,075	\$ 963,335	\$ 1,316,943	\$ 1,717,943	\$ 2,196,773	\$ 2,656,529	\$ 3,129,178

Source: ACFR Schedule A-1

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

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities										
Instruction										
Regular	\$ 1,106,427	1,153,334	1,068,306	1,176,301	1,169,907	1,257,753	1,390,561	1,426,966	1,709,598	1,572,982
Special Education	173,722	90,145	55,681	111,607	117,336	120,281	121,410	181,537	187,972	257,968
Other Special Education										
Other Instruction	1,397	548	859	468	439	452	477	489	536	546
Support Services										
Tuition	527,318	507,963	346,463	394,633	375,095	528,063	629,947	578,254	489,058	494,206
Student and Instruction Related Services	326,640	294,313	298,124	286,975	359,453	354,477	391,270	497,180	546,303	817,382
General Administrative Services	65,899	84,324	100,832	87,965	76,612	81,626	82,629	76,869	76,395	83,669
School Administrative Services	107,832	94,505	95,291	97,340	84,183	90,598	86,563	90,846	93,691	61,680
Central Services	92,039	89,483	96,185	98,926	102,200	100,836	76,524	76,860	80,735	83,133
Plant Operations and Maintenance	217,577	208,516	213,598	238,401	222,436	240,131	226,294	188,521	213,502	237,475
Pupil Transportation	199,350	215,638	215,021	203,239	212,593	195,403	228,170	201,841	223,294	265,623
Employee Benefits	763,130	973,975	1,091,438	1,391,635	1,548,464	1,177,624	962,070	1,393,986	1,115,692	1,050,352
Amortization of Debt Issue Costs										
Interest on Long-Term Debt	70,214	63,995	46,791	30,985	28,247	20,940	19,204	19,362	17,567	38,268
Total Governmental Activities Expense	3,651,545	3,776,739	3,628,589	4,118,475	4,296,965	4,168,184	4,215,119	4,732,711	4,754,343	4,963,284
Business-Type Activities										
Food Service	89,404	91,635	95,039	82,809	62,682	70,895	67,275	65,212	72,803	91,959
SACC					4,349	12,501	13,440	5,972	17,239	22,425
Total Business-Type Activities Expense	89,404	91,635	95,039	82,809	67,031	83,396	80,715	71,184	90,042	114,384
Total District Expenses	\$ 3,740,949	3,868,374	3,723,628	4,201,284	4,363,996	4,251,580	4,295,834	4,803,895	4,844,385	5,077,668
Program Revenues										
Governmental Activities										
Charge for Services										
Instruction (Tuition)	\$ 11,700	11,809				14,500	58,000	61,679	119,632	248,915
Operating Grants and Contributions	369,495	311,987	387,177	410,037	433,255	428,922	581,889	782,476	1,008,752	1,083,565
Total Governmental Activities Prog. Revenues	381,195	323,796	387,177	410,037	433,255	443,422	639,889	844,155	1,128,384	1,332,480
Business-Type Activities										
Charges for Services										
Food Service	31,008	29,448	30,441	40,983	30,833	35,542	22,772	4,312	6,847	33,898
SACC					5,881	17,678	16,719	4,364	22,423	35,664
Operating Grants and Contributions	35,905	39,452	45,235	30,886	24,008	27,918	48,425	57,225	118,745	56,553
Total Business-Type Activities Prog. Revenues	66,913	68,900	75,676	71,869	60,722	81,138	87,916	65,901	148,015	126,115
Total District Program Revenues	\$ 448,108	392,696	462,853	481,906	493,977	524,560	727,805	910,056	1,276,399	1,458,595
Net (Expense) Revenues										
Governmental Activities	\$ (3,270,350)	(3,452,943)	(3,241,412)	(3,708,438)	(3,863,710)	(3,724,762)	(3,575,230)	(3,888,556)	(3,625,959)	(3,630,804)
Business-Type Activities	(22,491)	(22,735)	(19,363)	(10,940)	(6,309)	(2,258)	7,201	(5,283)	57,973	11,731
Total District-Wide Net Expenses	\$ (3,292,841)	(3,475,678)	(3,260,775)	(3,719,378)	(3,870,019)	(3,727,020)	(3,568,029)	(3,893,839)	(3,567,986)	(3,619,073)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Property Taxes Levied for General Purpose, Net	\$ 2,404,816	2,571,505	2,622,935	2,753,976	2,668,575	2,750,279	2,855,285	2,912,390	2,970,638	3,055,099
Taxes Levied for Debt Service	134,346	135,137	113,116	113,507	109,651	90,448	105,074	103,291	104,808	102,921
Unrestricted Grants and Contributions	620,492	985,912	1,029,432	1,290,148	1,440,895	1,110,357	875,220	1,253,561	809,341	791,815
Restricted Grants, Tuition and Contributions										
Tuition	60,297	62,267	57,000	46,817	70,600	116,680	115,860	93,324	117,582	126,668
Investment Earnings	992	1,134	1,714	2,486	3,055	11,042	7,284	735	263	12,732
Miscellaneous Income	4,214	5,231	5,826	15,715	13,503	3,898	25,406	1,854	28,240	2,487
Transfers	(21,500)	(26,000)	(23,000)	(10,000)	(8,263)	(10,000)	(15,100)	(20,895)		
Right-to-Use Lease Adjustment									(3,372)	
Fixed Assets Adjustments						(2,076)		(4,814)	(4,695)	
Total Governmental Activities	3,203,657	3,735,186	3,807,023	4,212,649	4,298,016	4,070,628	3,969,029	4,339,446	4,022,805	4,091,722
Business-Type Activities										
Fixed Asset Adjustments		(1,878)							4,937	
Transfers	21,500	26,000	23,000	10,000	8,263	10,000	15,100	20,895		
Total Business-Type Activities	21,500	24,122	23,000	10,000	8,263	10,000	15,100	20,895	4,937	
Total District-wide	\$ 3,225,157	3,759,308	3,830,023	4,222,649	4,306,279	4,080,628	3,984,129	4,360,341	4,027,742	4,091,722
Change in Net Position										
Governmental Activities	\$ (66,693)	282,243	565,611	504,211	434,306	345,866	393,799	450,890	396,846	460,918
Business-Type Activities	(991)	1,387	3,637	(940)	1,954	7,742	7,201	15,612	62,910	11,731
Total District-wide	\$ (67,684)	283,630	569,248	503,271	436,260	353,608	401,000	466,502	459,756	472,649

Source: ACFR Schedule A-2

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

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Restricted	\$ 117,071	\$ 279,485	\$ 778,192	\$ 1,289,234	\$ 1,687,767	\$ 1,726,051	\$ 2,007,597	\$ 2,175,385	\$ 2,385,560	\$ 2,434,805
Assigned	1,799	27,657	58,835	26,430	14,826	90,248	11,577	17,704	742	640
Unassigned	183,766	201,763	194,099	194,427	196,159	195,551	204,187	211,938	219,539	426,186
Total General Fund	\$ 302,636	\$ 508,905	\$ 1,031,126	\$ 1,510,091	\$ 1,898,752	\$ 2,011,850	\$ 2,223,361	\$ 2,405,027	\$ 2,605,841	\$ 2,861,631
All Other Governmental Funds										
Restricted, Reported in:										
Special Revenue Fund								\$ 10,228	\$ 13,153	\$ 12,439
Assigned, Reported in:										
Debt Service Fund					\$ 13,046					
Capital Projects Fund								24,229		
Committed								39	39	
Unassigned, Reported in:										
Special Revenue Fund (Deficit)	\$ (5,600)	\$ (5,241)	\$ (5,600)	\$ (4,881)	(5,959)	\$ (5,295)	\$ (26,916)	(33,891)	(29,161)	(36,474)
Debt Service Fund	5	5	5	13,046						
Total All Other Governmental Funds	\$ (5,595)	\$ (5,236)	\$ (5,595)	\$ 8,165	\$ 7,087	\$ (5,295)	\$ (26,916)	\$ 605	\$ (15,969)	\$ (24,035)

Source: ACFR Schedule B-1

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

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Tax Levy	\$ 2,539,162	\$ 2,706,642	\$ 2,736,051	\$ 2,867,483	\$ 2,778,226	\$ 2,840,727	\$ 2,960,359	\$ 3,015,681	\$ 3,075,446	\$ 3,158,020
Tuition Charges	60,297	62,267	57,000	46,817	70,600	116,680	115,860	93,324	117,582	126,668
Interest Earnings	992	1,134	1,714	2,486	3,055	11,042	7,284	735	263	12,732
Miscellaneous	4,214	5,231	5,826	15,715	13,503	3,898	25,406	5,533	50,872	21,594
State Sources	877,243	929,991	940,078	975,661	1,009,417	1,064,480	1,232,808	1,444,969	1,491,747	1,697,170
Federal Sources	112,744	87,104	144,562	182,203	194,818	186,095	155,420	248,648	433,093	508,070
Total Revenues	3,594,652	3,792,369	3,885,231	4,090,365	4,069,619	4,222,922	4,497,137	4,808,890	5,169,003	5,524,254
Expenditures										
Instruction										
Regular Instruction	1,037,017	1,084,350	1,032,019	1,097,542	1,095,925	1,181,644	1,310,275	1,344,690	1,619,345	1,481,090
Special Education Instruction	170,823	87,264	52,763	108,318	114,247	117,103	118,057	178,070	184,203	254,131
Other Special Instruction										
Other instruction	985	138	444							
Support Services										
Tuition	527,318	507,963	346,463	394,633	375,095	528,063	629,947	578,254	489,058	494,206
Student and Instruction Related Services	295,826	263,507	278,880	265,288	339,080	321,061	318,911	423,857	427,092	562,359
General administration	62,005	76,658	93,067	79,212	68,390	73,168	73,707	67,722	66,365	73,457
School Administrative Services	100,119	90,636	91,372	92,922	80,033	86,329	82,060	86,230	88,629	56,526
Other Administrative Services										
Central Services	86,993	84,469	91,106	93,201	96,822	95,304	70,688	70,877	74,175	76,453
Plant Operations and Maintenance	204,783	195,799	200,717	223,882	208,798	223,627	198,018	173,348	200,626	225,517
Pupil Transportation	199,350	215,638	215,021	203,239	212,593	195,403	228,170	201,841	223,294	265,623
Employee Benefits	779,580	738,838	759,853	794,082	868,494	929,843	967,023	1,149,195	1,368,114	1,491,418
Capital Outlay	28,519	9,726	7,275	76,378	54,881	203,852	136,087	160,589	85,062	139,749
Debt Service										
Principal	129,902	137,066	110,000	135,000	135,000	135,000	140,000	140,000	145,000	145,000
Interest and Other Charges	73,654	67,689	61,389	23,943	24,415	21,809	19,204	16,463	13,800	11,001
Total Expenditures	3,696,874	3,559,741	3,340,369	3,587,640	3,673,773	4,112,206	4,292,147	4,591,136	4,984,763	5,276,530
Excess (Deficiency) of Revenues										
Over (Under) Expenditures	(102,222)	232,628	544,862	502,725	395,846	110,716	204,990	217,754	184,240	247,724
Other Financing Sources (Uses)										
Bond Proceeds										
Transfers Out	(21,500)	(26,000)	(23,000)	(10,000)	(8,263)	(10,000)	(15,100)	(20,895)		
Total Other Financing Sources (Uses)	(21,500)	(26,000)	(23,000)	(10,000)	(8,263)	(10,000)	(15,100)	(20,895)		
Net Change in Fund Balances	\$ (123,722)	\$ 206,628	\$ 521,862	\$ 492,725	\$ 387,583	\$ 100,716	\$ 189,890	\$ 196,859	\$ 184,240	\$ 247,724
Debt Service as a Percentage of Noncapital Expenditures	5.5%	5.8%	5.1%	4.4%	4.3%	3.8%	3.7%	3.4%	3.2%	3.0%

Source: ACFR Schedule B-2

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

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u> <u>Revenue</u>	<u>Misc.</u>	<u>Total</u>
2023	\$ 12,732	\$ 126,668	\$ 2,487	\$ 141,887
2022	263	117,582	28,240	146,085
2021	735	93,324	1,854	95,913
2020	7,284	115,860		123,144
2019	11,042	116,680	1,207	128,929
2018	3,055	70,600	11,038	84,693
2017	2,486	46,817	13,454	62,757
2016	1,714	57,000	3,590	62,304
2015	1,134	62,267	1,967	65,368
2014	992	60,297	4,214	65,503

Source: District Records

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

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual County Equalized Value
2023	\$ 4,817,200	\$ 71,852,300	\$ 45,397,500	\$ 7,491,000	\$ 13,618,700	\$ 30,329,900	\$ 173,506,600	\$ 1,148,482	\$ 174,655,082	1.865	\$ 182,331,442
2022	6,544,200	72,054,500	44,973,900	7,482,700	12,303,700	30,329,900	173,688,900	1,064,708	174,753,608	1.807	189,596,005
2021	6,366,800	71,614,500	45,202,800	7,511,700	12,668,700	30,329,900	173,694,400	661,218	174,355,618	1.760	184,978,062
2020	4,324,600	71,844,800	46,477,400	7,487,600	20,682,700	30,329,900	181,147,000	493,335	181,640,335	1.660	190,001,049
2019	4,573,700	71,540,400	46,781,600	7,491,100	27,066,300	31,909,600	189,364,700	493,335	189,858,035	1.560	198,620,411
2018	3,927,800	72,129,600	46,495,700	7,524,100	27,021,700	31,909,600	189,008,500	471,204	189,479,704	1.499	198,246,801
2017	4,397,400	72,195,500	46,418,800	7,539,600	28,280,100	33,009,600	191,841,000	453,927	192,294,927	1.445	195,500,452
2016	4,461,700	71,077,900	47,313,700	7,608,300	47,638,400	34,509,600	212,609,600	458,846	213,068,446	1.346	201,503,423
2015	4,322,800	70,801,000	47,495,600	7,620,600	47,638,400	36,209,600	214,088,000	796,500	214,884,500	1.273	207,690,719
2014	4,240,200	71,041,000	47,705,900	7,632,300	47,885,900	37,709,600	216,214,900	475,531	216,690,431	1.250	214,068,000

Source: District records Tax list summary & Municipal Tax Assessor

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

Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per \$100

* Estimate

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

Year Ended June 30,	Mannington Township Board of Education			Overlapping Rates		
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Mannington Township	Salem County	Total
2023	\$ 1.804	\$ 0.061	\$ 1.865	\$ 0.298	\$ 1.289	\$ 3.452
2022	1.745	0.062	1.807	0.299	1.361	3.467
2021	1.700	0.060	1.760	0.300	1.320	3.380
2020	1.601	0.059	1.660	0.300	1.220	3.180
2019	1.510	0.050	1.560	0.301	1.235	3.096
2018	1.439	0.060	1.499	0.302	1.153	2.954
2017	1.385	0.060	1.445	0.302	1.128	2.875
2016	1.279	0.067	1.346	0.301	1.082	2.729
2015	1.209	0.064	1.273	0.301	0.949	2.523
2014	1.184	0.066	1.250	0.297	0.898	2.445

Source: District Records and Municipal Tax Collector

Note:

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

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

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

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

<u>Taxpayer</u>	<u>2023</u>		<u>2014</u>	
	<u>Taxable Assessed Value</u>	<u>% of Total District Net Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>% of Total District Net Assessed Value</u>
Mannington Mills INC	\$ 30,249,500	17.32%	\$ 42,676,600	19.68%
Golden Rehab & Nursing	4,065,000	2.33%	4,065,000	1.87%
Woodstown Urban Renewal LLC	1,860,000	1.06%		
Mannington Holding LLC	1,450,000	0.83%		
ISE America, INC	932,300	0.53%	1,122,700	0.52%
Taxpayer #1	868,400	0.50%	964,300	0.44%
Taxpayer #2	866,100	0.50%		
Lougin LLC	803,200	0.46%		
Waldac Farm	715,300	0.41%	959,200	0.44%
RJS Holdings INC	700,000	0.40%		
Salem Hospital Co			34,730,800	16.02%
Marino Brothers			1,160,000	0.53%
Four B's			1,200,000	0.55%
Salem Farms			1,286,100	0.59%
ACJM & M Enterpr			1,025,000	0.47%
Total	\$ 42,509,800	24.34%	\$ 89,189,700	41.13%

Source: District ACFR & Municipal Tax Assessor

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	% of Levy	
2023	\$ 3,158,020	\$ 3,158,020	100%	\$
2022	3,075,446	3,075,446	100%	
2021	3,015,681	3,015,681	100%	
2020	2,960,359	2,960,359	100%	
2019	2,840,727	2,840,727	100%	
2018	2,778,226	2,867,483	100%	
2017	2,867,483	2,867,483	100%	
2016	2,736,051	2,736,051	100%	
2015	2,706,642	2,706,642	100%	
2014	2,539,162	2,539,162	100%	

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

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

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

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Total District	Percentage of Personal Income ^a	
	General Obligation Bonds ^b	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Per Capita ^a			
2023	\$ 425,000	\$	\$	\$	\$ 425,000	0.52%	\$ 294	
2022	570,000				570,000	0.67%	373	
2021	715,000				715,000	0.83%	419	
2020	855,000				855,000	1.05%	501	
2019	995,000				995,000	1.22%	580	
2018	1,130,000				1,130,000	1.39%	660	
2017	1,265,000				1,265,000	1.57%	739	
2016	1,400,000				1,400,000	1.79%	817	
2015	1,463,000				1,463,000	1.89%	849	
2014	1,563,000	37,066			1,600,066	2.13%	917	

* Estimate

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

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

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

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions			
2023	\$ 425,000	\$	\$ 425,000	0.233%	\$ 294 *
2022	570,000		570,000	0.301%	373 *
2021	715,000		715,000	0.387%	419
2020	855,000		855,000	0.450%	501
2019	995,000		995,000	0.501%	580
2018	1,130,000		1,130,000	0.570%	660
2017	1,265,000		1,265,000	0.647%	739
2016	1,400,000		1,400,000	0.695%	817
2015	1,463,000		1,463,000	0.704%	849
2014	1,563,000		1,563,000	0.730%	896

* Estimate

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

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

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

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

MANNINGTON TOWNSHIP SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2023
(UNAUDITED)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes			
Township of Mannington	\$ 50,000	100.00%	\$ 50,000
Other Debt			
County of Salem - Township's Share	77,900,052	3.2%	2,481,071
Subtotal, Overlapping Debt			<u>2,531,071</u>
Mannington Township School District Direct Debt			<u>425,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 2,956,071</u></u>

Sources: Mannington Township Finance Officer and Salem County Finance Office

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

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

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

Legal Debt Margin Calculation for Fiscal Year 2022

	Equalized Valuation Basis
	2022 \$ 182,523,014
	2021 189,602,009
	2020 192,914,803
	<u>[A] \$ 565,039,826</u>
Average Equalized Valuation of Taxable Property	[A/3] \$ 188,346,609
Debt Limit (3% of Average Equalization Value)	[B] 5,650,398 ^a
Net Bonded School Debt	[C] 425,000
Legal Debt Margin	<u>[B-C] \$ 5,225,398</u>

	Fiscal Year,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt Limit	\$ 6,337,079	\$ 6,156,737	\$ 6,127,039	\$ 6,144,504	\$ 6,142,195	\$ 5,949,885	\$ 5,791,753	\$ 5,708,723	\$ 5,696,916	\$ 5,650,398
Total Net Debt Applicable to Limit	<u>1,563,000</u>	<u>1,463,000</u>	<u>1,400,000</u>	<u>1,265,000</u>	<u>1,130,000</u>	<u>995,000</u>	<u>855,000</u>	<u>715,000</u>	<u>570,000</u>	<u>425,000</u>
Legal Debt Margin	<u>\$ 4,774,079</u>	<u>\$ 4,693,737</u>	<u>\$ 4,727,039</u>	<u>\$ 4,879,504</u>	<u>\$ 5,012,195</u>	<u>\$ 4,954,885</u>	<u>\$ 4,936,753</u>	<u>\$ 4,993,723</u>	<u>\$ 5,126,916</u>	<u>\$ 5,225,398</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	25%	24%	23%	21%	18%	17%	15%	13%	10%	8%

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

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

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

<u>Year</u>	<u>Population</u> ^a	<u>Personal Income</u> <u>(thousands)</u> <u>of dollars)</u> ^b	<u>Per Capita</u> <u>Personal</u> <u>Income</u> ^c	<u>Unemployment</u> <u>Rate</u> ^d
2023	** 1,445	\$ 81,227,913	\$ 56,232	3.40%
2022	1,474	85,061,406	55,675	4.40%
2021	1,559	85,738,971	55,124	7.30%
2020	1,713	81,139,768	54,578	8.20%
2019	1,714	81,466,039	50,597	3.90%
2018	1,713	81,242,374	47,485	4.60%
2017	1,711	80,743,801	45,923	6.10%
2016	1,714	78,038,420	45,126	5.70%
2015	1,724	77,561,036	44,576	7.30%
2014	1,745	75,185,070	42,412	7.90%

Source:

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

^b Personal income

^c Per Capita

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

** Estimate

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

Employer*	2023		2014	
	Employees	Percentage of Total Employment	Employees	Percentage of Total Employment
PSE&G	1500	2.30%		
Mannington Mills	800	1.23%	610	2.11%
Memorial Hospital of Salem County	720	1.11%	600	2.07%
E.I DuPont	685	1.05%		
McLane NJ	401	0.62%		
R.E Pierson Construction	400	0.61%		
Inspira Health Network	400	0.61%		
Ardagh Group (Anchor Glass)	376	0.58%		
Larchmont Farms	275	0.42%		
Walmart	250	0.38%		
Salem County Corrections Facility			170	0.59%
Salem County VoTech School			154	0.53%
Salem County Nursing Home			100	0.35%
Mannington Twp. School			31	0.11%
	5,807	8.92%	1,665	4.75%

Source: Salem County Economic Resource Guide

* Salem County

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

<u>Function/Program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Instruction										
Regular	14.8	14.8	14.6	15.6	15.2	16.6	17.0	18.0	18.0	19.0
Special Education	2.0	1.0	1.0	2.0	2.0	2.0	2.0	3.0	3.0	4.0
Other Special Education	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Vocational	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Instruction	5.5	5.0	4.0	4.0	4.0	3.0	4.0	3.0	3.0	3.0
Nonpublic School Programs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adult/Continuing Education Programs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Support Services:										
Tuition	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Student & Instruction Related Services	0.6	0.6	0.6	0.5	1.0	1.0	1.0	1.6	2.0	2.0
General Administrative Services	2.5	2.5	2.5	1.5	1.0	1.0	1.0	1.0	1.0	1.0
School Administrative Services	0.5	0.5	0.5	0.5	1.0	1.0	1.0	1.0	1.0	1.0
Business Administrative Services	0.0	0.0	1.0	1.0	1.4	2.0	2.0	2.0	3.0	3.0
Plant Operations and Maintenance	2.0	2.0	2.0	2.0	1.0	1.0	1.0	2.0	2.0	1.0
Pupil Transportation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Special Schools	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Food Service	1.5	1.5	1.5	1.5	1.5	1.4	1.4	1.4	1.4	1.4
SACC							1.6	0.4	0.8	8.0
Totals	<u>29.4</u>	<u>27.9</u>	<u>27.7</u>	<u>28.6</u>	<u>28.1</u>	<u>29.00</u>	<u>32.00</u>	<u>33.4</u>	<u>35.2</u>	<u>43.4</u>

Source: District Personnel Records

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

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures^a</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff^b</u>	<u>Pupil/Teacher Ratio Elementary</u>	<u>Average Daily Enrollment (ADE)^c</u>	<u>Average Daily Attendance (ADA)^c</u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2014	178	\$ 3,493,318	19,625	4.88%	18.0	1:13	176.0	169.2	-1.62%	96.14%
2015	181	3,354,986	18,536	-5.55%	16.0	1:11	181.2	172.7	2.93%	95.33%
2016	186	3,168,980	17,038	-8.08%	16.0	1:11	183.2	175.9	1.13%	96.02%
2017	158	3,428,697	21,701	27.37%	17.6	1:09	157.9	152.9	-13.83%	96.85%
2018	152	3,514,358	23,121	35.70%	17.2	1:09	154.9	147.2	-1.88%	95.03%
2019	162	3,955,398	24,416	12.51%	18.6	1:11	160.4	153.9	3.55%	95.95%
2020	190	4,132,943	21,752	0.24%	19.0	1:10	190.0	183.7	18.45%	96.68%
2021	169	4,434,673	26,241	20.92%	21.0	1:12	169.0	166.6	5.36%	98.58%
2022	174	4,825,963	27,735	27.81%	21.0	1:12	174.0	166.2	8.48%	95.53%
2023	172	5,120,529	29,771	37.19%	23.0	1:07	172.5	162.5	-0.88%	94.19%

Sources: District records, ASSA.

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-1
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>District Building</u>										
<u>Elementary</u>										
Mannington Township School(19..)										
Square Feet	27,318	27,318	27,318	27,318	27,318	27,318	27,318	27,318	27,318	27,318
Capacity (students)	300	300	300	300	300	300	300	300	300	300
Enrollment	183	181	179	157	152	162	190	169	174	172

Number of Schools at June 30, 2023

 Elementary = 1

Source: District records

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

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

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

<u>School Facilities</u>	<u>Gross Square Footage</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Mannington Township School	27,318	\$ 89,796	\$ 79,527	\$ 82,699	\$ 74,315	\$ 100,859	\$ 75,656	\$ 65,158	\$ 53,833	\$ 36,083	\$ 39,939
Total School Facilities		89,796	79,527	82,699	74,315	100,859	75,656	65,158	53,833	36,083	39,939
Other Facilities											
Grand Total		\$ 89,796	\$ 79,527	\$ 82,699	\$ 74,315	\$ 100,859	\$ 75,656	\$ 65,158	\$ 53,833	\$ 36,083	\$ 39,939

MANNINGTON TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)

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

SINGLE AUDIT SECTION

NIGHTLINGER, COLAVITA & VOLPA

A Professional Association

Certified Public Accountants

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

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

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Mannington Township School District, in the County of Salem, State of New Jersey, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Board of Education of the Mannington Township School District's basic financial statements, and have issued our report thereon dated November 27, 2023.

Report on Internal Control Over Financial Reporting

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

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

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, PA

Raymond Colavita, CPA
Licensed Public School Accountant
No. 915
November 27, 2023

NIGHTLINGER, COLAVITA & VOLPA

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

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

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited The Board of Education of the Mannington Township School District, in the County of Salem, State of New Jersey's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement and the New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of The Board of Education of the Mannington Township School District, in the County of Salem, State of New Jersey's major state programs for the year ended June 30, 2023. The Board of Education of the Mannington Township School District, in the County of Salem, State of New Jersey'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 Board of Education of the Mannington Township School District, in the County of Salem, State of New Jersey complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2023.

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; and the audit requirements of the Office of School Finance, *Department of Education, State of New Jersey*, and New Jersey OMB 15-08. 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 Board of Education of the Mannington Township School District, in the County of Salem, State of New Jersey and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of The Board of Education of the Mannington Township School District, in the County of Salem, State of New Jersey's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to The Board of Education of the Mannington Township School District, in the County of Salem, State of New Jersey'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 Board of Education of the Mannington Township School District, in the County of Salem, State of New Jersey's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and New Jersey OMB 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about The Board of Education of the Mannington Township School District, in the County of Salem, State of New Jersey's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and New Jersey OMB 15-08, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding The Board of Education of the Mannington Township School District, in the County of Salem, State of New Jersey's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of The Board of Education of the Mannington Township School District, in the County of Salem, State of New Jersey'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 15-08, but not for the purpose of expressing an opinion on the effectiveness of The Board of Education of the Mannington Township School District, in the County of Salem, State of New Jersey's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, PA

Raymond Colavita, CPA
Licensed Public School Accountant
No. 915
November 27, 2023

**TOWNSHIP OF MANNINGTON SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (SCHEDULE A)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass-Through Grant Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant From	Period To	Balance at June 30, 2022			Cash Received	Budgetary Expenditures Pass Through Funds	Budgetary Expenditures Direct	Total Budgetary Expenditures (A)	Adjustment	Balance at June 30, 2023		
							Accounts Receivable	Unearned Revenue	Due to Grantor						Accounts Receivable	Unearned Revenue	Due to Grantor
U.S. Department of Education																	
Passed-through State Department of Education:																	
Special Revenue Fund:																	
E.S.E.A.:																	
Title I, Part A	84.010	S010A200030	ESEA-2950-21	\$ 99,093	7/1/20	9/30/21	\$	\$ 1,161	\$	\$	\$	\$	\$	(1,161)	\$	\$	
Title I, Part A	84.010	S010A210030	ESEA-2950-22	94,970	7/1/21	9/30/22	(33,188)		52,408	(19,220)							
Title I, Part A	84.010	S010A220030	ESEA-2950-23	66,713	7/1/22	9/30/23			35,670	(66,712)					(31,042)		
Title II, Part A	84.367A	S367A200029	ESEA-2950-21	5,229	7/1/20	9/30/21	(342)		342								
Title II, Part A	84.367A	S367A210029	ESEA-2950-22	7,359	7/1/21	9/30/22	(4,206)		3,864				342				
Title II, Part A	84.367A	S367A220029	ESEA-2950-23	7,169	7/1/22	9/30/23			2,858	(3,606)					(748)		
Title IV	84.424A	S424A200031	ESEA-2950-21	15,845	7/1/20	9/30/21		267					(267)				
Title IV	84.424A	S424A210031	ESEA-2950-22	23,395	7/1/21	9/30/22	(12,139)		12,139								
Title IV	84.424A	S424A220031	ESEA-2950-23	10,000	7/1/22	9/30/23			13,053	(16,778)					(3,725)		
IDEA Cluster:																	
I.D.E.A. Part B, Basic Regular	84.027A	H027A220100	IDEA-2950-23	55,025	7/1/22	9/30/23			46,700	(49,958)					(3,258)		
I.D.E.A. Part B, Basic Regular	84.027A	H027A210100	IDEA-2950-22	53,189	7/1/21	9/30/22	(18,016)		18,016								
ARP IDEA Part B-Basic	84.027X	H027X220100	IDEA-2950-22	7,934	7/1/21	9/30/22			7,934	(7,934)							
I.D.E.A. Part B, Pre-School	84.173	H173A220114	IDEAPS-2950-23	1,013	7/1/22	9/30/23				(1,013)					(1,013)		
ARP IDEA Preschool	84.173X	H173X220114	IDEAPS-2950-22	676	7/1/21	9/30/22			676	(676)							
Rural Education Achievement Prog	84.358A	S358A212085	REAP-2950-23	17,778	7/1/22	9/30/23			14,123	(17,778)					(3,655)		
Education Stabilization Fund:																	
CARES ACT 2020/ESSER																	
CRRSA:																	
CRRSA-ESSER II	84.425D	S425D200027	CRRSA-2950-23	326,168	3/13/20	9/30/23	(163,540)		275,953	(113,595)					(1,182)		
Mental Health	84.425D	S425D200027	CRRSA-2950-23	45,000	3/13/20	9/30/23	(12,400)		12,400	(12,400)					(12,400)		
Learning Acceleration	84.425D	S425D200027	CRRSA-2950-23	25,000	3/13/20	9/30/23											
ARP Consolidated:																	
ESSER III	84.425U	S425U210027	ARP-2950-24	733,042	3/13/20	9/30/24			122,898	(165,921)					(43,023)		
Accel Learning Instruction	84.425U	S425U210027	ARP-2950-24	50,000	3/13/20	9/30/24			8,349	(14,471)					(6,122)		
Beyond The School Day	84.425U	S425U210027	ARP-2950-24							(537)					(537)		
NJTSS Mental Health Staffing	84.425U	S425U210027	ARP-2950-24	45,000	3/13/20	9/30/24			17,698	(17,471)						227	
Total Special Revenue Fund							(243,831)	1,428	645,081	(508,070)			(1,086)	(106,705)	227		
U.S. Department of Agriculture																	
Passed-through State Department of Education:																	
Enterprise Fund:																	
Non-Cash Assistance:																	
Food Distribution Program	10.565	Unknown	N/A	5,931	7/1/22	6/30/23			5,931	(5,931)							
Child Nutrition Cluster:																	
Cash Assistance:																	
National School Lunch Program	10.555	221NJ304N1099	N/A	77,322	7/1/21	6/30/22	(4,617)		4,617								
National School Lunch Program	10.555	231NJ304N1099	N/A	28,449	7/1/22	6/30/23			27,216	(28,449)					(1,233)		
National School Breakfast Program	10.553	221NJ304N1099	N/A	24,024	7/1/21	6/30/22	(1,388)		1,388								
National School Breakfast Program	10.553	231NJ304N1099	N/A	6,073	7/1/22	6/30/23			5,737	(6,073)					(336)		
Supply Chain Assistance Funding	10.555	221NJ344N8903	NA	8,331	7/1/21	6/30/22	(8,331)		8,331								
Supply Chain Assistance Funding	10.555	231NJ344N8903	NA	8,019	7/1/22	6/30/23			8,019	(8,019)							
Supply Chain Assistance Funding	10.555	231NJ344N8903	NA	6,362	7/1/22	6/30/23			6,362	(6,362)							
P-EBT Administrative Cost	10.649	202322S900941	N/A	653	7/1/22	6/30/23				(653)					(653)		
Total Enterprise Fund							(14,336)		67,601	(55,487)					(2,222)		
Total Federal Financial Awards							\$ (258,167)	\$ 1,428	\$ 712,682	\$ (563,557)	\$	\$	\$ (1,086)	\$ (108,927)	\$ 227	\$	

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

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

TOWNSHIP OF MANNINGTON SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE (SCHEDULE B)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2022		Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Balances at June 30, 2023			MEMO	
			From	To	Accounts Receivable	Unearned Revenue				(Accounts Receivable)	Unearned Revenue	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education														
General Fund:														
Equalization Aid	23-495-034-5120-078	31,463	7/1/22	6/30/23				\$ 28,280	\$ (31,463)	\$ (3,183)			* \$ (3,183)	\$ (31,463)
Transportation Aid	23-495-034-5120-014	117,432	7/1/22	6/30/23				105,554	(117,432)	(11,878)			* (11,878)	(117,432)
Special Education Categorical Aid	23-495-034-5120-089	106,577	7/1/22	6/30/23				95,797	(106,577)	(10,780)			* (10,780)	(106,577)
Security Aid	23-495-034-5120-084	29,905	7/1/22	6/30/23				26,880	(29,905)	(3,025)			* (3,025)	(29,905)
Water Testing	23-495-034-5120-104	2,376	7/1/22	6/30/23				2,376	(2,376)				*	(2,376)
Maintenance of Equity	23-495-034-5120-128	177,504	7/1/22	6/30/23					(177,504)	(177,504)			*	(177,504)
Supplemental Stabilization Aid	23-100-034-5120-494	27,548	7/1/22	6/30/23				27,548	(27,548)				*	(27,548)
Reimbursed TPAF SS Contribution	22-495-034-5094-003	119,161	7/1/21	6/30/22	\$ (5,819)			5,819						
Reimbursed TPAF SS Contribution	23-495-034-5094-003	133,166	7/1/22	6/30/23				120,213	(133,166)	(12,953)			*	(133,166)
On-Behalf TPAF Post Retire. Medical	23-495-034-5094-001	145,102	7/1/22	6/30/23				145,102	(145,102)				*	(145,102)
On-Behalf TPAF Long-Term Disability	23-495-034-5094-004	354	7/1/22	6/30/23				354	(354)				*	(354)
On-Behalf TPAF Pension Contribution	23-495-034-5094-002	552,352	7/1/22	6/30/23				552,352	(552,352)				*	(552,352)
Total General Fund					(5,819)			1,110,275	(1,323,779)	(219,323)				(28,866) (1,323,779)
Special Revenue Fund:														
Preschool Education Aid	22-495-034-5120-086	325,744	7/1/21	6/30/22	(29,161)	\$ 22,770	\$(22,770)	29,161						
Preschool Education Aid	23-495-034-5120-086	412,518	7/1/22	6/30/23			22,770	376,044	(337,340)	(36,474)	\$ 97,948		* (36,474)	(337,340)
Alyssa's Law	23-100-082-2000-A92	18,010	7/1/22	6/30/23					(18,010)	(18,010)			*	(18,010)
Climate Awareness Education Grant		6,641	7/1/22	6/30/23				6,641	(6,641)				*	(6,641)
SDA Emergent Needs & Capital Maint.	23-100-034-5120-086		7/1/22	6/30/23										
Total Special Revenue Fund					(29,161)	22,770		411,846	(361,991)	(54,484)	97,948			(36,474) (361,991)
Debt Service Fund:														
Debt Service Aid Type II	23-495-034-5120-017	53,041	7/1/22	6/30/23				53,041	(53,041)				*	(53,041)
State Department of Agriculture														
Enterprise Fund:														
State School Lunch Program	22-100-010-3350-022	1,818	7/1/21	6/30/22	(106)			106						
State School Lunch Program	23-100-010-3350-023	1,008	7/1/22	6/30/23				961	(1,008)	(47)			*	(1,008)
State School Breakfast Program		58	7/1/22	6/30/23				52	(58)	(6)			*	(58)
Total Enterprise Fund					(106)			1,119	(1,066)	(53)				(1,066)
Total State Financial Assistance					\$ (35,086)	\$22,770	\$	\$ 1,576,281	\$ (1,739,877)	\$ (273,860)	\$ 97,948	\$	\$ (65,340)	\$ (1,739,877)
Less: On-Behalf TPAF Pension System Contributions														
On-Behalf TPAF Post Retirement Medi	23-495-034-5094-001	145,102	7/1/22	6/30/23				\$ 145,102	\$ (145,102)					
On-Behalf TPAF Long-Term Disability	23-495-034-5094-004	354	7/1/22	6/30/23				354	(354)					
On-Behalf TPAF Pension Contribution	23-495-034-5094-002	552,352	7/1/22	6/30/23				552,352	(552,352)					
Total State Financial Assistance - Major Program Determination								\$ 878,473	\$ (1,042,069)					

See accompanying notes to schedules of financial assistance

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2023

NOTE 1: GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Board of Education, Mannington Township School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedules of expenditures of federal awards and state financial assistance.

NOTE 2: BASIS OF ACCOUNTING

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

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$1,595 for the general fund and \$4,539 for the special revenue fund. See Note 2 (the Notes to Required Supplementary Information) for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2023
(Continued)

Awards and financial assistance revenues are reported in the Board’s basic financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$	\$ 1,325,374	\$ 1,325,374
Special Revenue Fund	508,070	318,755	826,825
Debt Service		53,041	53,041
Food Service Fund	<u>55,487</u>	<u>1,066</u>	<u>56,553</u>
 Total Financial Assistance	 \$ <u>563,557</u>	 \$ <u>1,698,236</u>	 \$ <u>2,261,793</u>

NOTE 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5: FEDERAL AND STATE LOANS OUTSTANDING

The Mannington School District had no federal or state loan balances outstanding at June 30, 2023.

NOTE 6: OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions, if any, represents the amount paid by the state on behalf of the district for the year ended June 30, 2023. 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, 2023.

NOTE 7: SCHOOLWIDE PROGRAM FUNDS

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

NOTE 8: MAJOR PROGRAMS

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

NOTE 9: ADJUSTMENTS

There was one adjustment to be shown in the “Adjustments” column on Schedule B.

MANNINGTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

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

Federal Awards N/A

Internal control over major programs:

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

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

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

Identification of major programs:

CFDA Number(s)	FAIN Number(s)	Name of Federal Program or Cluster
----------------	----------------	------------------------------------

N/A

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

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

MANNINGTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(continued)

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

State Awards

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? X yes no

Internal control over major programs:

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

2) Significant deficiencies identified that are not considered to be material weaknesses? yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with NJOMB Treasury Circular Letter 15-08 yes X no

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
23-495-034-5120-086	Preschool Education Aid

**MANNINGTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(continued)**

Section II - Financial Statement Findings

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

Finding: N/A

Criteria or specific requirement:

Condition:

Context:

Effect:

Cause:

Recommendation:

Views of responsible officials and planned corrective actions:

MANNINGTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(continued)

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

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

FEDERAL AWARDS - N/A

Finding:

Information on the federal program:

Criteria or specific requirement:

Condition:

Questioned Costs:

Context:

Effect:

Cause:

Recommendation:

Views of responsible officials and planned corrective actions:

STATE AWARDS

Finding: None

Information on the state program:

Criteria or specific requirement:

Condition:

Questioned Costs:

Context:

Effect:

Cause:

Recommendation:

Management's response:

**MANNINGTON TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

STATUS OF PRIOR - YEAR FINDINGS

There were no prior year findings.