

**Annual Comprehensive
Financial Report
of the**

**Mantua Township School District
Mantua, New Jersey
For The Year Ended June 30, 2023**

Prepared by
Mantua Township Board of Education
Finance Department

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Introductory Section

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MANTUA TOWNSHIP SCHOOL DISTRICT

Mrs. Christine Trampé
Superintendent

Ms. Michelle Jankauskas
Assistant Business Administrator/Board Secretary

November 30, 2023

Honorable President and
Members of the Board of Education
Mantua Township School District
Sewell, New Jersey

Dear Board Members:

The annual comprehensive financial report of the Mantua Township School District for the fiscal year ended June 30, 2023 is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. 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 School District. All disclosures necessary to enable the reader to gain an understanding of the School District's financial activities have been included.

The annual comprehensive financial report is presented in four sections: Introductory, Financial, Statistical and Single Audit. The Introductory Section includes this transmittal letter, the School District's organizational chart and a list of principal officials. The Financial Section includes the 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 School District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and 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 the New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. 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:

Mantua 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 School District are included in this report. The Mantua Township Board of Education and all its schools constitute the School District's reporting entity.

For the 2022/23 school year, the School District's three elementary schools were organized as follows:

Centre City Grades 1-3 with special education programs for learning and/or language disability, multiple disability, and preschool disability pupils. A resource room for supplemental special education services is also available.

J. Mason Tomlin Grades 4-6 with special education programs for learning and/or language disability and multiple disability pupils. A resource room for supplemental special education services is also available.

Sewell Pre-K-K with a resource room for offering special education, supplementary services, and special education programs for multiple disability pupils and learning and/or language disability.

The following details the changes in student enrollment of the school district over the last ten years.

<u>Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2022-23	1,254	-0.87%
2021-22	1,265	3.10%
2020-21	1,227	-3.46%
2019-20	1,271	0.08%
2018-19	1,270	-0.70%
2017-18	1,279	2.90%
2016-17	1,274	0.31%
2015-16	1,243	-5.26%
2014-15	1,270	-3.20%
2013-14	1,312	-1.50%

3. INSTRUCTINOAL PROGRAMS:

In addition to the basic elementary curriculum emphasizing reading, writing, and arithmetic, the School District’s schools provide:

- Remedial instruction
- Resource room instruction for classifiable learning disabilities
- Speech and language development services
- Computer/STEM instruction
- Art and music instruction
- Library programs
- Physical education instruction
- Guidance and child study team services
- A full-time nurse at each school
- Foreign language instruction
- Character education
- Social and Emotional Learn

Student academic performance is measured in Grades Pre-K through sixth grade though a variety of resources. Pre-K utilizes High Scope CORE advantage to provide teachers and parents with information on student growth. ESI-R Screening, conducted on our Pre-K population within the first six weeks of school, is used to inform instruction and identify students in need of increased support. DIBELS, a reading assessment and diagnostic test, is utilized three times a year in grades K-2. Star Assessments, an online diagnostic and adaptive tool, is administered in the fall, winter and spring to students in grades 1-6. Star Assessments provides immediate feedback regarding students’ abilities and provides teachers with specific information to enhance instruction.

Parent and community involvement in the schools is provided through a number of opportunities at both the local and district levels. In addition to school parent associations, these affiliations include: a Special Education Advisory Committee, Safety Committee, Parents as Partners, the Municipal Alliance, along with cooperative efforts with the township recreation, environmental groups, and planning board. School Improvement Panels (SciP), Team Leaders, Teacher Advisory Committee, Early Childhood Advisor Committee and Intervention and Referral Service Teams function at each school to further refine planning for student and school needs.

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 School District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but 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 and state financial assistance, the School 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 School District management.

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

5. BUDGETARY CONTROLS:

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

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

6. ACCOUNTING SYSTEM AND REPORTS:

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

7. DEBT ADMINISTRATION:

At June 30, 2023, the District did not have any outstanding debt.

8. CASH MANAGEMENT:

The investment policy of the School District is guided in a large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The School District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. 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 Ford, Scott & Associates, L.L.C., CPAs, was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, and New Jersey OMB's Circular Letter 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

11. ACKNOWLEDGMENTS:

We would like to express our appreciation to the members of the Mantua 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,

Christine R. Trampé

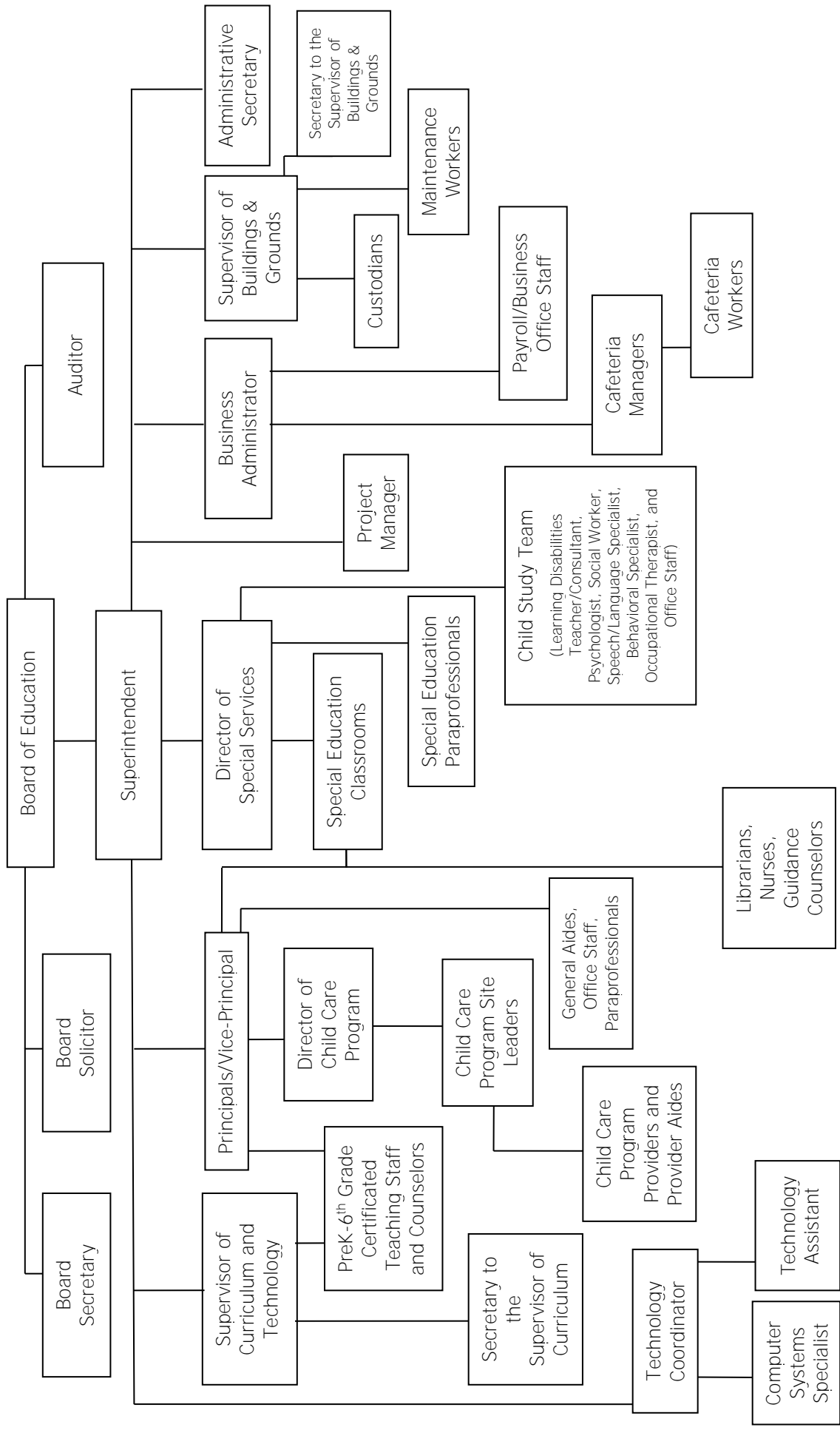
Christine R. Trampé
Superintendent

Michelle Jankauskas

Michelle Jankauskas
Assistant Business Administrator

MANTUA TOWNSHIP BOARD OF EDUCATION

ORGANIZATIONAL CHART



MANTUA TOWNSHIP BOARD OF EDUCATION
MANTUA, NEW JERSEY

ROSTER OF OFFICIALS
JUNE 30, 2023

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Karen Vick, President	2023
Emily Pedersen, Vice-President	2024
Erica Atkinson	2025
Ryan Campbell	2025
Stephanie DiAntonio	2024
Daniel Fellona	2023
Amy Gregg	2025
Dr. Lori Kroeger	2023
Michele Leach	2024

Other Officials

Christine R. Trampé., Superintendent
Michelle H. Daminger, Board Secretary/Business Office Coordinator
Steven C. Crispin, Interim Business Administrator

MANTUA TOWNSHIP BOARD OF EDUCATION
CONSULTANTS AND ADVISORS

AUDIT FIRM

Ford, Scott & Associates, L.L.C.
1535 Haven Avenue
Ocean City, New Jersey

ATTORNEY

Parker McCay
Frank p. Cavallo Jr., Esquire
900 Midlantic Drive, Suite 300
PO Box 5054
Mount Laurel, NJ 08054

OFFICIAL DEPOSITORIES

Fulton Bank
Mantua, New Jersey

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Financial Section

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FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report

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

Report on the Audit of Financial Statements

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 Mantua Township School District, in the County of Gloucester, New Jersey, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Mantua Township School District, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal 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 (GAAS), the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of the Mantua Township School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, 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 Mantua Township School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 GAAS, *Government Auditing Standards* and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, we:

- exercise professional judgement 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 the 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 entity's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether in our judgement there are conditions or events considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charge 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.

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Mantua Township School District's basic financial statements. The combining and individual non-major fund financial statements and schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the schedule of state financial assistance as required by NJ OMB 15-08 and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by the Uniform Guidance, and the schedule of state financial assistance as required by NJ OMB 15-08 is 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 Comprehensive Financial Report. The other information comprises of the introductory and statistical sections and have not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2023 on our consideration of the Mantua Township School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 entity's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Mantua Township School District's internal control over financial reporting and compliance.

Ford, Scott & Associates, L.L.C.

FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Michael S. Garcia

Michael S. Garcia
Certified Public Accountant
Licensed Public School Accountant
No. 2080

November 30, 2023

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**REQUIRED SUPPLEMENTARY INFORMATION
PART 1**

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**MANTUA TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
UNAUDITED**

The discussion and analysis of Mantua Township School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2023. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2023 are as follows:

- In total, net position increased \$1,286,936, which represents an increase of approximately 10 percent from prior year.
- General revenues accounted for \$26,686,467 in revenue or 91 percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$2,649,617 or 9 percent of total revenues of \$29,336,084.
- Total assets of governmental activities increased \$856,126 as cash and cash equivalents increased by \$1,522,717, receivables decreased by \$175,758, and net capital assets decreased by \$1,260,669.
- The School District had \$28,049,148 in expenses; \$2,649,617 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$26,686,467 were adequate to provide for these programs.
- Among governmental funds, the General Fund had \$26,686,467 in revenues and \$25,613,371 in expenditures. The General Fund's fund balance increased \$802,916 from 2022.

Using this Annual Comprehensive Financial Report (ACFR)

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

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

**MANTUA TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
UNAUDITED (CONTINUED)**

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during FY 2023?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

- **Governmental Activities** - All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- **Business-Type Activity** - This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service and Childcare enterprise funds are reported as a business activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

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

Governmental Funds

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

**MANTUA TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
UNAUDITED (CONTINUED)**

Reporting the School District's Most Significant Funds (Continued)

Enterprise Fund

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

Notes to the Financial Statements

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

The School District as a Whole

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

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

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**MANTUA TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
UNAUDITED (CONTINUED)**

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

**Table 1
Net Position**

	2023	2022
Assets		
Current and Other Assets	\$ 5,493,493	4,146,421
Capital Assets	16,230,634	16,721,580
	21,724,127	20,868,001
Deferred Outflows of Resources		
Deferred Outflows Related to Pensions	669,589	862,262
Liabilities		
Long-Term Liabilities	5,320,015	4,291,799
Other Liabilities	1,680,654	1,752,042
	7,000,669	6,043,841
Deferred Inflows of Resources		
Deferred Inflows Related to Pensions	803,463	2,383,774
	803,463	2,383,774
Net Position		
Net Investment in Capital Assets	16,230,634	16,721,580
Restricted	2,662,219	1,954,868
Unrestricted	(4,303,269)	(5,373,800)
	\$ 14,589,584	\$ 13,302,648

The overall increase in net position is the result of the operations in the current year. The variance in the restricted and unrestricted net position is primarily due to the classification of committed balances reflected as restricted in the prior year.

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**MANTUA TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
UNAUDITED (CONTINUED)**

Table 2 shows changes in net position for fiscal year 2023 and 2022

**Table 2
Changes in Net Position**

	2023	2022
Revenues		
Program Revenues:		
Charges for Services	\$ 823,306	613,536
Operating Grants and Contributions	1,826,311	8,948,830
General Revenues:		
Property Taxes	14,822,690	14,402,658
Grants and Entitlements	11,709,722	10,807,236
Other	154,055	62,776
Total Revenues	29,336,084	34,835,036
Program Expenses		
Instruction	14,152,418	11,664,450
Support Services:		
Tuition	141,372	
Pupils and Instructional Staff	4,656,718	3,151,892
General and School Administration, Business	2,792,084	1,867,761
Operations and Maintenance of Facilities	3,271,460	2,505,685
Pupil Transportation	1,347,133	731,746
Unallocated Benefits		13,458,196
Unallocated Depreciation	707,278	690,612
Food Service	516,275	548,018
Other Enterprise	464,410	406,378
Total Expenses	28,049,148	35,024,738
Increase in Net Position	\$ 1,286,936	(189,702)

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**MANTUA TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
UNAUDITED (CONTINUED)**

Governmental Activities

Property taxes made up 53 percent of revenues for governmental activities for the Mantua Township School District for fiscal year 2023. The School District's total governmental revenues were \$28,148,643 for the year ended June 30, 2023. Charges for services represents 0 percent of revenue and federal, state, and local grants accounted for another 42 percent of revenue.

The total cost of all program and services was \$27,068,463. Instruction comprises 50 percent of District expenses.

Business-Type Activities

Revenues for the District's business-type activities (food service & childcare program) were comprised of charges for services and federal and state reimbursements.

- Revenues exceeded expenses by \$206,756.
- Charges for services represent \$823,306 of revenue. This represents amounts paid by patrons for daily food service and childcare services.
- Federal and state reimbursement for meals, including payments for free and reduced lunches and breakfast, and donated commodities was \$364,135.

Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the School 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	\$ 14,152,418	14,491,041	11,664,450	9,607,616
Support Services:				
Tuition	141,372	141,372		-
Student and Instructional Staff	4,656,718	3,404,197	3,151,892	2,261,201
General Administration, School				
Admin & Business Services	5,692,084	2,731,359	1,867,761	1,867,761
Operation of Plant	3,271,460	2,813,037	2,505,685	2,505,685
Pupil Transportation	1,347,133	1,318,003	731,746	731,746
Unallocated Benefits			13,458,196	8,107,946
Unallocated Depreciation	707,278	707,278	690,612	690,612
Interest and Finance Charges		-		-
Food Service	516,275	(177,068)	548,018	(266,106)
Childcare	464,410	(29,688)	406,378	(44,089)
Total Expenses	<u>\$ 30,949,148</u>	<u>25,399,531</u>	<u>35,024,738</u>	<u>25,462,372</u>

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

**MANTUA TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
UNAUDITED (CONTINUED)**

Tuition is predominately made up of charges for private schools for disabled students.

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.

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

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

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

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

"Other" includes special schools and a loss on the disposal of capital assets.

None of the variances are unusual or unexpected.

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$30,044,766 and expenditures were \$29,167,588. The net increase in fund balance of operations for the year was \$877,178.

As demonstrated by the various statements and schedules included in the financial section of this report, the School 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.

Revenue	Amount	Percent of Total	Increase (Decrease) from 2022	Percent of Increase (Decrease)
Local Sources	\$ 15,174,797	50.5%	622,977	4.3%
State Sources	13,716,731	45.7%	293,804	2.2%
Federal Sources	1,153,238	3.8%	(170,477)	-12.9%
Total	<u>\$ 30,044,766</u>	100.0%	<u>746,304</u>	2.5%

The increase in State funding is due to increased on-behalf Contributions. The increase in local sources is mostly due to an increase in tuition revenue.

The following schedule represents 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.

**MANTUA TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
UNAUDITED (CONTINUED)**

Expenditures	Amount	Percent of Total	Increase (Decrease) from 2022	Percent of Increase (Decrease)
Current expense:				
Instruction	\$ 10,691,515	36.7%	(950,389)	-8.2%
Undistributed expenditures	18,084,923	62.0%	(51,976)	-0.3%
Capital Outlay	391,150	1.3%	(50,913)	-11.5%
Total	<u>\$ 29,167,588</u>	100.0%	<u>(1,053,278)</u>	-3.5%

Changes in expenditures were the results of varying factors. The significant change in Capital Outlay is partly due to no current construction projects going on within District.

General Fund Budgeting Highlights

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

Over the course of the year, the School District revised the annual operating budget several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line-item accounts.

- On-behalf TPAF Pension contributions appear as both a revenue and an expense in the School District's financial statements. The State of New Jersey made on behalf TPAF Pension Contributions of \$3,773,723 for FY 2023 and also made on-behalf TPAF post-retirements contributions of \$991,348 and long-term disability insurance for the School District in the amount of \$1,827.
- The State of New Jersey reimbursed the District for TPAF Social Security contributions made during the school year. The amount of \$757,022.

Capital Assets

At the end of the fiscal year 2023, the School District had \$5,546,920 invested in land, building, furniture and equipment, and vehicles. Table 4 shows fiscal year 2023 balances compared to 2022.

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

	<u>2023</u>	<u>2022</u>
Land	\$ 110,027	110,027
Land Improvements	419,023	430,381
Building & Building Improvements	15,096,354	15,591,493
Machinery and Equipment	544,693	568,720
Total	<u>\$ 16,170,097</u>	<u>16,700,621</u>

**MANTUA TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
UNAUDITED (CONTINUED)**

Debt Administration

At June 30, 2023, the School District had \$5,320,016 of outstanding long term liabilities. Of this amount, \$838,634 is for compensated absences, \$0 of serial bonds net of unamortized premiums on bonds issued, net pension liability of \$4,481,382 and a lease agreement of \$0.

**Table 5
Bonded Outstanding Debt as of June 30,**

	2023	2022
Pension liability	4,481,382	3,406,577
Compensated Absences	838,634	864,343
Total	\$ 5,320,016	4,270,920

As of June 30, 2023, the School District was within its overall legal debt margin.

For the Future

The Mantua Township School District is in good financial condition presently.

In conclusion, the Mantua Township School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue to identify operational efficiencies which will allow it to meet the challenges of declining or stable state aid.

Contacting the School District's 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 Business Administration/Board Secretary at Mantua Board of Education, 684 Main Street, Sewell, NJ 08080. Please visit our website at <https://www.mantuaschools.com>.

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BASIC FINANCIAL STATEMENTS

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DISTRICT-WIDE FINANCIAL STATEMENTS

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MANTUA TOWNSHIP SCHOOL DISTRICT
Statement of Net Position
June 30, 2023

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 4,029,504	592,133	4,621,637
Receivables, Net	848,791	13,230	862,021
Internal Balances	-		-
Inventory		9,835	9,835
Capital Assets			
Land	110,027		110,027
Capital Assets being Depreciated, net	16,060,070	60,537	16,120,607
Total Assets	<u>21,048,392</u>	<u>675,735</u>	<u>21,724,127</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions	<u>669,589</u>		<u>669,589</u>
LIABILITIES			
Accounts Payable	459,358	44,223	503,581
Payroll Taxes Payable	13,636		13,636
Payable to State Government	9,383		9,383
Payable to Federal Government	178		178
Unearned Revenue	1,145,533	8,343	1,153,876
Noncurrent Liabilities			
Due Within One Year	54,116		54,116
Due Beyond One Year	764,002	20,515	784,517
Net Pension Liability	4,481,382		4,481,382
Total Liabilities	<u>6,927,588</u>	<u>73,081</u>	<u>7,000,669</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions	<u>803,463</u>		<u>803,463</u>
Total Deferred Outflows of Resources	<u>803,463</u>	<u>-</u>	<u>803,463</u>
NET POSITION			
Net Investment in Capital Assets	16,170,097	60,537	16,230,634
Restricted for:			
Capital Projects	738,527		738,527
Other Purposes	1,801,082		1,801,082
Scholarships	1,082		1,082
Student Activities	121,527		121,527
Unrestricted (Deficit)	(4,845,386)	542,117	(4,303,269)
Total Net Position (Deficit)	<u>\$ 13,986,930</u>	<u>602,654</u>	<u>14,589,584</u>

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

MANTUA TOWNSHIP SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2023

Function/Programs	Program Revenue				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Indirect Costs Allocation	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	4,200,797	3,460,418		(1,314,755)	(8,975,970)		(8,975,970)
Special Education	3,839,807	1,700,198		1,139,801	(4,400,204)		(4,400,204)
Other Special Instruction	520,424	430,774		(163,669)	(1,114,867)		(1,114,867)
Support Services:							
Tuition	141,372				(141,372)		(141,372)
Student & Instruction Related Services	3,337,435	1,319,283		1,252,521	(3,404,197)		(3,404,197)
General Administration and Business Services	457,735	309,361		16,684	(750,412)		(750,412)
School Administrative Services	650,444	439,604		23,707	(1,066,341)		(1,066,341)
Plant Operation and Maintenance	2,024,027	1,247,433		458,423	(2,813,037)		(2,813,037)
Pupil Transportation	806,973	540,160		29,130	(1,318,003)		(1,318,003)
Central Services	235,243	377,051		20,334	(591,960)		(591,960)
Administrative Info. Technology	322,646				(322,646)		(322,646)
Unallocated Benefits	9,824,282	(9,824,282)			-		-
Unallocated Depreciation	707,278				(707,278)		(707,278)
Total Governmental Activities	<u>27,068,463</u>	<u>-</u>	<u>-</u>	<u>1,462,176</u>	<u>(25,606,287)</u>	<u>-</u>	<u>(25,606,287)</u>
Business-Type Activities:							
Food Service	516,275		329,208	364,135		177,068	177,068
Childcare	464,410		494,098			29,688	29,688
Total Business-Type Activities	<u>980,685</u>	<u>-</u>	<u>823,306</u>	<u>364,135</u>	<u>-</u>	<u>206,756</u>	<u>206,756</u>
Total Primary Government	<u>28,049,148</u>	<u>-</u>	<u>823,306</u>	<u>1,826,311</u>	<u>(25,606,287)</u>	<u>206,756</u>	<u>(25,399,931)</u>
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes					14,822,690		14,822,690
Federal and State Aid not Restricted					11,709,722		11,709,722
Tuition Charges					80,915		80,915
Investment Earnings					15,715		15,715
Miscellaneous Income					57,425		57,425
Total General Revenues, Special Items, Extraordinary Items and Transfers					<u>26,686,467</u>		<u>26,686,467</u>
Change in Net Position					1,080,180	206,756	1,286,936
Net Position (Deficit) - Beginning					12,906,750	395,898	13,302,648
Net Position (Deficit) - Ending					<u>13,986,930</u>	<u>602,654</u>	<u>14,589,584</u>

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

FUND FINANCIAL STATEMENTS

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MANTUA TOWNSHIP SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2023

	General Fund	Special Revenue Fund	Total Governmental Funds
ASSETS			
Cash and Cash Equivalents	\$ 3,179,867	\$ 772,291	\$ 3,952,158
Due from Other Funds	44,221		44,221
Intergovernmental Accounts Receivable			
Federal		581,308	581,308
State	188,284		188,284
Other Receivables	79,199		79,199
Total Assets	3,491,571	1,353,599	4,845,170
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	251,435	207,923	459,358
Due to Other Funds		44,221	44,221
Payroll Taxes Payable	13,636		13,636
Payable to State Government		9,383	9,383
Payable to Federal Government		178	178
Unearned Revenue	631	1,144,902	1,145,533
Total Liabilities	265,702	1,406,607	1,672,309
Fund Balances:			
Restricted for:			
Excess Surplus - Current Year	326,120		326,120
Excess Surplus - Prior Year - Designated for Subsequent Year's Expenditures	84,645		84,645
Capital Reserve	738,527		738,527
Maintenance Reserve	640,404		640,404
Student Activities		121,527	121,527
Scholarships		1,082	1,082
Assigned to:			
Designated for			
Subsequent Year's Expenditures	925,530		925,530
Other Purposes	216,553		216,553
Unassigned			
General Fund	294,090		294,090
Special Revenue Fund		(175,617)	(175,617)
	3,225,869	(53,008)	3,172,861
Total Liabilities and Fund Balances	\$ 3,491,571	\$ 1,353,599	

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 \$36,054,250 and the accumulated depreciation is \$19,884,153.	16,170,097
Pension Liabilities Net of Deferred Outflows & Inflows	(4,615,256)
Internal service funds are used by the School District to charge related services other school district's. The assets and liabilities of the internal service fund are included in governmental activities.	77,346
Long-term liabilities, including bonds and capital lease payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(818,118)
Net Position of governmental activities	13,986,930

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

MANTUA TOWNSHIP SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2023

	General Fund	Special Revenue Fund	Total Governmental Funds
REVENUES			
Local Sources:			
Local Tax Levy	\$ 14,822,690	-	14,822,690
Tuition Charges	80,915		80,915
Interest Earned on Investments	15,715		15,715
Miscellaneous	57,425	198,052	255,477
Total Local Sources	14,976,745	198,052	15,174,797
State Sources	11,615,535	2,101,196	13,716,731
Federal Sources	94,187	1,059,051	1,153,238
Total Revenues	<u>26,686,467</u>	<u>3,358,299</u>	<u>30,044,766</u>
EXPENDITURES			
Current:			
Regular Instruction	5,511,613		5,511,613
Special Education Instruction	2,708,006	1,785,776	4,493,782
Other Special Instruction	686,120		686,120
Support Services:			
Tuition	141,372		141,372
Student & Instruction Related Serv.	2,101,301	1,377,291	3,478,592
General Administrative Services	492,738		492,738
School Administrative Services	700,184		700,184
Plant Operation and Maintenance	1,986,859		1,986,859
Pupil Transportation	860,345		860,345
Central Services	277,905		277,905
Administrative Info. Technology	322,646		322,646
Unallocated Employee Benefits	9,824,282		9,824,282
Capital Outlay	-	391,150	391,150
Total Expenditures	<u>25,613,371</u>	<u>3,554,217</u>	<u>29,167,588</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,073,096</u>	<u>(195,918)</u>	<u>877,178</u>
OTHER FINANCING SOURCES (USES)			
Transfer in		270,180	270,180
Transfer out	(270,180)		(270,180)
Total Other Financing Sources and Uses	<u>(270,180)</u>	<u>270,180</u>	<u>-</u>
Net Changes in Fund Balance	802,916	74,262	877,178
Fund Balance - July 1	2,422,953	(127,270)	2,295,683
Fund Balance - June 30	<u>\$ 3,225,869</u>	<u>(53,008)</u>	<u>3,172,861</u>

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

MANTUA TOWNSHIP SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2023

Total Net Change in Fund Balance - Governmental Funds (from B-2)		877,178
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p>		
<p>Capital outlays are reported in governmental funds as expenditures. However, on 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 current fiscal year.</p>		
Depreciation expense	(865,650)	
Capital Outlay	335,126	(530,524)
<p>Governmental funds report district pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of of employee contributions is reported as pension expense.</p>		
District pension contributions - PERS	312,833	
Cost of benefits earned net of employee contributions	374,468	687,301
<p>In the statement of activities, certain operating expenses, e.g., compensated absences (vacations and sick pay) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation; when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation.</p>		
		46,225
Change in Net Position of Governmental Activities		1,080,180

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

MANTUA TOWNSHIP SCHOOL DISTRICT
Proprietary Funds
Statement of Net Position
June 30, 2023

	Business-Type Activities - Enterprise Fund		Governmental Activities	Totals
	Food Service	Before/After School	Internal Service Fund	
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 485,068	\$ 107,065	\$ 77,346	\$ 669,479
Interfund Accounts Receivable				
Intergovernmental Accounts Receivable				
Federal	11,345			11,345
State	547			547
Other	1,338			1,338
Inventories	9,835			9,835
Total Current Assets	<u>508,133</u>	<u>107,065</u>	<u>77,346</u>	<u>692,544</u>
Noncurrent Assets:				
Furniture, Machinery & Equipment	465,458	8,299		473,757
Less: Accumulated Depreciation	(408,257)	(4,963)		(413,220)
Total Noncurrent Assets	<u>57,201</u>	<u>3,336</u>		<u>60,537</u>
Total Assets	<u><u>565,334</u></u>	<u><u>110,401</u></u>	<u><u>77,346</u></u>	<u><u>753,081</u></u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	3,014	41,209		44,223
Compensated Absences Payable	20,515			20,515
Unearned Revenue	8,343			8,343
Total Current Liabilities	<u>31,872</u>	<u>41,209</u>		<u>73,081</u>
NET POSITION				
Net Investment in Capital Assets				
Related Debt	57,201	3,336		60,537
Unrestricted	476,261	65,856	77,346	619,463
Total Net Position	<u><u>533,462</u></u>	<u><u>69,192</u></u>	<u><u>77,346</u></u>	<u><u>680,000</u></u>

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

MANTUA TOWNSHIP SCHOOL DISTRICT
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2023

	Business-Type Activities - Enterprise Fund		Governmental Activities	Totals Enterprise
	Food Service	Before/After School	Internal Service Fund	
Operating Revenues:				
Charges for Services:				
Reimbursable Program Daily Sales	\$ 270,486	-		270,486
Non-Reimbursable Program Daily Sales	57,722			57,722
Special Functions				-
Miscellaneous	1,000			1,000
Program Revenue		494,098		494,098
Total Operating Revenue	329,208	494,098	-	823,306
Operating Expenses:				
Cost of Sales-Reimbursable	185,672			185,672
Cost of Sales- Non Reimbursable	39,477			39,477
Salaries and Wages	210,286	337,317		547,603
Fringe Benefits	28,178	22,831		51,009
Purchased Professional/Technical Services	6,100			6,100
Other Purchased Services (400-500 series)	14,511			14,511
Supplies and Materials	22,938	98,516		121,454
Depreciation	2,973	830		3,803
Miscellaneous	6,140	4,916		11,056
Total Operating Expenses	516,275	464,410	-	980,685
Operating (Loss)	(187,067)	29,688	-	(157,379)
Nonoperating Revenues (Expenses):				
State Sources:				
State School Lunch Program	6,975			6,975
State School Breakfast Program	2,616			2,616
Federal Sources:				
National School Lunch Program	164,189			164,189
School Breakfast Program	29,505			29,505
Food Distribution Program	69,962			69,962
National School Lunch Program - Equipment Assistance	20,000			20,000
COVID-19 - Supply Chain	70,888			70,888
Total Nonoperating Revenues (Expenses)	364,135	-	-	364,135
Changes in Net Position	177,068	29,688		206,756
Total Net Position - Beginning	356,394	39,504	77,346	473,244
Total Net Position - Ending	\$ 533,462	69,192	77,346	680,000

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

MANTUA TOWNSHIP SCHOOL DISTRICT
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2023

	Business-Type Activities - Enterprise Fund		Governmental Activities	Totals Enterprise
	Food Service	Latchkey	Internal Service Fund	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Other Income	\$ 320,900	\$ 494,098		\$ 814,998
Payments to Customers	(202,505)	(436,176)		(638,681)
Payments for Employees and Benefits	(238,827)			(238,827)
Net Cash Provided by Operating Activities	<u>(120,432)</u>	<u>57,922</u>		<u>(62,510)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
State Sources	9,855			9,855
Federal Sources	319,954			319,954
Net Cash Provided by Noncapital Financing Activities	<u>329,809</u>	<u>-</u>		<u>329,809</u>
CASH FLOW FROM INVESTING ACTIVITIES				
Interest and Dividends	-	-		-
Purchase of Equipment	(43,382)			(43,382)
Net Cash Provided by Investing Activities	<u>(43,382)</u>	<u>-</u>		<u>(43,382)</u>
Net Increase in Cash and Cash Equivalents	165,995	57,922		223,917
Balance - Beginning of Year	319,073	49,143	77,346	445,562
Balance - End of Year	<u>\$ 485,068</u>	<u>\$ 107,065</u>	<u>\$ 77,346</u>	<u>\$ 669,479</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating Income	(187,067)	29,688		(157,379)
Adjustments to Reconcile Operating Income(Loss) to Net Cash Provided by (Used for) Operating Activities:				
Depreciation and Net Amortization	2,973	830		3,803
Food Distribution Program	69,962			69,962
(Increase) Decrease in Inventories	(112)			(112)
(Increase) Decrease in Accounts Receivable	(1,338)			(1,338)
Increase (Decrease) in Accounts Payable	2,484	27,404		29,888
Increase (Decrease) in Unearned Revenue	(6,971)			(6,971)
Increase (Decrease) in Compensated Absences	(363)			(363)
Total Adjustments	<u>66,635</u>	<u>28,234</u>	<u>-</u>	<u>94,869</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (120,432)</u>	<u>\$ 57,922</u>	<u>\$ -</u>	<u>\$ (62,510)</u>

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

NOTES TO THE FINANCIAL STATEMENTS

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**MANTUA TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Mantua Township School District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials and is responsible for the fiscal control of the District. A chief school administrator is appointed by the Board and is responsible for the administrative control of the District.

The financial statements of the Board of Education (Board) of the Mantua Township School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB). The more significant accounting policies established in GAAP and used by the District are discussed below.

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

A. REPORTING ENTITY

The Mantua Township School District is a Type II district located in the County of Gloucester, State of New Jersey. As a Type II District, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The members are elected during the general election held in November each year. The purpose of the district is to educate students in grades kindergarten through sixth at its three schools.

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.

B. BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The District's general and special revenue activities are classified as governmental activities. The District's food service program and childcare program are classified as business-type activities.

In the governmental-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term

**MANTUA TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

debt and obligations. The District's net position are reported in three parts-invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the School District's functions and business-type activities (food service and childcare). The functions are also supported by general government revenues (property taxes, tuition, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (regular instruction, vocational programs, student & instruction related services, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, interest income, etc.).

- a. The District does allocate indirect costs such as depreciation expense, compensated absences, On-behalf TPAF Pension Contributions, and Reimbursed TPAF Social Security Contributions.

The government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities. Fiduciary funds are not included in the government-wide statements.

C. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB standards set forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a single column in the fund financial statements. The State of New Jersey Department of Education has mandated that all New Jersey School Districts must report all governmental funds as major, regardless of the fund meeting the GASB definition of a major fund. However, the criteria are applied to proprietary funds.

The following fund types are used by the District:

1. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District

- a. **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.
- b. **Special revenue** funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose. The special revenue fund is specifically used to account for state and federal grant monies that have been allocated to the District.
- c. **Capital projects** funds are used to account for all financial resources to be used for the acquisition or construction of major capital facilities. The financial resources are derived from

**MANTUA TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

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.

- d. **Debt service** funds are 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.

Fund Balances – Governmental Funds

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

Non-spendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision-making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.

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

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:

The details of the fund balances are included in the Governmental Funds Balance Sheet. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an 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.

2. Proprietary Funds:

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, 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:

- a. **Enterprise funds** are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designated to recover similar costs. The School District operates a food service fund to provide a child nutrition program for the students of the district. The School District also has a childcare program related to before and after school program services.

All fund internal activity is eliminated when carried to the Government-wide statements.

**MANTUA TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

D. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual:

Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

E. FINANCIAL STATEMENT AMOUNTS

1. Cash and Cash Equivalents:

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

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

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

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

2. Investments:

Investments, including deferred compensation and pension funds, are stated at fair value, (quoted market price or the best available estimate). Interest earned on investments in the Capital Projects Fund is recognized as a reserve to pay future debt service or transferred to the general fund.

**MANTUA TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

3. Inventories:

Inventories in the general fund consist of expendable supplies held for the School District's use and are carried at cost using the first-in, first-out method. Inventories in the enterprise fund are valued at cost, which approximates market, using the first-in, first –out method. As of June 30, 2023, the District did not have inventory in the general fund and had the following inventory in the enterprise fund:

Food	\$	8,175
Supplies		1,660
Total	\$	9,835

The value of Federal donated commodities is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements.

4. Capital Assets:

Capital assets purchased or acquired with an original cost of \$2,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20-50 years
Machinery and equipment	5-10 years
Improvements	10-20 years
Infrastructure Assets	50-65 years

Infrastructure assets include roads, parking lots, underground pipe, etc. The School District includes all infrastructure assets as depreciable assets in the financial statements.

5. Revenues:

Substantially all governmental fund revenues are accrued. Property taxes are susceptible to accrual and under New Jersey State Statutes a municipality is required to remit to its school district the entire balance of taxes in the amount certified, prior to the end of the school year. The School District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non-operating revenue. In respect to grant revenues, the provider recognizes liabilities and expenses, and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and unearned revenue by the recipient. Program revenues, including tuition revenue are reported as reductions to expenses in the statement of activities.

6. Expenditures:

Expenses are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

**MANTUA TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

7. 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 both an expenditure and a 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 Financial Statements as a Governmental Activity.

In proprietary and similar trust funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

8. Interfund Activity:

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related costs as reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

9. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office for approval and, as long as the District budget is within State mandated CAPs, there is no public vote on the budget. If the budget exceeds State mandated CAPs, the voters have an opportunity to approve or reject the budget at the regular election held in November. 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. 6:23-2(g). Transfers of appropriations may be made by School Board resolution at any time during the fiscal year and are subject to two-thirds majority vote by the School Board and under certain circumstances require approval by the County Superintendent of Schools.

Significant transfers approved by the Board of Education during the fiscal year were as follows:

**MANTUA TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

Instruction - Grades 1-5	\$	(117,698)
Undist. Expend. - Resource Room		
Salaries of Teachers		80,271
Undist. Expend. - Admin Info Tech		
Supplies and Materials		54,732
Undist. Expend. - Required Maintenance		(85,485)
Cleaning, Repair and Maintenance		173,561
Undist. Expend. - Student Transportation		
Contr. Serv. Btwn Home & School Joint Agrmt		(180,095)
Contr. Serv. - (Special Ed Students) - Vendors		104,389

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 payments for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

10. 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. The final cost is based on an agreement with various Boards of Education with a negotiated amount up to the final cost as determined by State of New Jersey.

11. Tuition Payable:

Tuition charges for the fiscal years 2022/23 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

12. Use of 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 and disclosures. Accordingly, actual results could differ from those results.

13. Allocation of Costs:

In the government-wide statement of activities, the School District has allocated unallocated benefits to various programs based on the budgetary expenditures by program.

**MANTUA TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

F. IMPACT OF RECENTLY ISSUED ACCOUNTING PRINCIPLES

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2023:

In May 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 96, "Subscription Based Information Technology Arrangements". This statement, which is effective for fiscal years beginning after June 15, 2022, and all reporting periods, thereafter. Management has implemented this Statement in the School District's financial statements for the year ended June 30, 2023.

In June 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 97, "Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32". This statement, which is effective for fiscal years beginning after June 15, 2022, and all reporting periods, thereafter.. This standard did not have any effect on the School District's financial reporting.

G. RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE

In May 2019, the Governmental Accounting Standards Board (GASB) issued Statement No. 91, "Conduit Debt Obligations". This statement is effective for fiscal periods beginning after December 31, 2022, will not have any effect on the School District's financial reporting.

In March 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 93, "Replacement of Interbank Offered Rates". This statement, which is effective for fiscal periods beginning after December 31, 2022, and all reporting periods, thereafter, will not have any effect on the School District's financial reporting.

In March 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements". This statement, which is effective for fiscal years beginning after December 31, 2023, and all reporting periods, thereafter, will not have any effect on the School District's financial reporting.

In April 2022, the Governmental Accounting Standards Board (GASB) issued Statement No.99, "Omnibus 2022". This statement, and the requirements related to leases, PPP's and SBITAs which is effective for fiscal years beginning after June 15, 2022, and all reporting periods, thereafter, may have an effect on the School District's financial statements. This statement, and the requirements related financial guarantees and the classification and reporting of derivative instruments which is effective for fiscal years beginning after June 15, 2023, and all reporting periods, thereafter, will not have any effect on the School District's financial reporting.

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 100, "Accounting Changes and Error Corrections (an amendment of GASB Statement No. 62)". This statement, which is effective for fiscal years beginning after June 15, 2023, may have an effect on the School District's financial reporting.

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 101, "Compensated Absences". This statement, which is effective for fiscal years beginning after December 15, 2023, will not have any significant effect on the School District's financial reporting.

**MANTUA TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

NOTE 2 – CASH

Custodial Credit Risk—Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The district's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2023, \$91,035 of the School District's bank balance of \$5,284,061 was exposed to custodial credit risk.

NOTE 3 - INVESTMENTS

As of June 30, 2023, the District had no investments:

Interest Rate Risk. The district does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 18A:20-37 limits the length of time for most investment to 397 days.

Credit Risk. New Jersey Statutes 18A:20-37 limits district investments to those specified in the Statutes. The type of allowable investments are Bonds of the United States of America or of the district or the local units in which the district is located; obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk. The district places no limit on the amount the district may invest in any one issuer.

NOTE 4 – RECEIVABLES

Receivables at June 30, 2023, consisted of accounts (extraordinary services), interfund, intergovernmental, and other revenues. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial Statements	Business-Type Activities Financial Statements	Government Wide Financial Statements
State Aid	\$ 188,284	\$ 547	\$ 188,831
Federal Aid	581,308	11,345	592,653
Other	79,199	1,338	80,537
Gross Receivables	848,791	13,230	862,021
Less: Allowance for Uncollectibles			
Total Receivables, Net	\$ 848,791	\$ 13,230	\$ 862,021

**MANTUA TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

NOTE 5 – INTERFUND RECEIVABLES AND PAYABLES

As of June 30, 2023, several interfunds remained on the various balance sheets as follows:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 44,221	\$
Special Revenue Fund		44,221
	\$ 44,221	\$ 44,221

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

NOTE 6 – CAPITAL ASSETS

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

	Beginning Balance	Additions	Deletions/ Adjustments	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 110,027	\$	\$	\$ 110,027
Total capital assets not being depreciated	110,027	-	-	110,027
Capital assets being depreciated:				
Land Improvements	1,050,234	30,527		1,080,761
Buildings and Improvements	32,819,941	233,953		33,053,894
Equipment	1,738,922	70,646		1,809,568
Total capital assets being depreciated	35,609,097	335,126	-	35,944,223
Less accumulated depreciation for:				
Land Improvements	(619,853)	(41,885)		(661,738)
Buildings and Improvements	(17,228,448)	(729,092)		(17,957,540)
Equipment	(1,170,202)	(94,673)		(1,264,875)
Total accumulated depreciation	16,590,594	(530,524)	-	16,060,070
Governmental Activity Capital Assets, net	\$ 16,700,621	\$ (530,524)	\$ -	\$ 16,170,097

Depreciation expense was allocated among the various functions/programs as follows:

Regular Instruction	\$ 20,221
Support Administration	8,116
Operations and Maintenance	122,288
Transportation	7,747
Unallocated	707,278
	\$ 865,650

:

**MANTUA TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

NOTE 7 – LONG-TERM OBLIGATIONS

Changes in long-term obligations for the year ended June 30, 2023 are as follows:

	Balance July 1, 2022	Issues or Additions	Payments or Expenditures	Balance June 30, 2023	Amounts Due Within One Year
Governmental Activities:					
Compensated Absences	\$ 864,343	\$ 63,504	\$ 109,729	\$ 818,118	\$
Net Pension Liability	3,406,577	1,074,805		4,481,382	
	<u>\$ 4,270,920</u>	<u>\$ 1,138,309</u>	<u>\$ 109,729</u>	<u>\$ 5,299,500</u>	<u>\$ -</u>
Business-Type Activities					
Compensated Absences	\$ 20,879	\$ 3,209	\$ 3,573	\$ 20,515	\$
	<u>\$ 20,879</u>	<u>\$ 3,209</u>	<u>\$ 3,573</u>	<u>\$ 20,515</u>	<u>\$ -</u>

Compensated absences and Net Pension Liability are liquidated in the General Fund.

Bonds Authorized But Not Issued

As of June 30, 2023, the School District had no bonds authorized but not issued.

NOTE 8 – UNEARNED REVENUE

The District has unearned revenue reflected on the Statement of Net Position in the District-Wide Financial Statements of \$1,153,876. This consists of unearned revenue of \$1,144,902 in the special revenue fund which is made up of grant proceeds on hand where the grant period overlaps the district's fiscal year; \$631 in the general fund and \$8,343 in the food service fund for student meals prepaid.

NOTE 9 – PENSION PLANS

Description of Plans - All required employees of the School District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pension and Benefits, PO Box 295, Trenton, New Jersey, 08625 or the reports can be accessed on the internet at <http://www.state.nj.us/treasury/pensions/financial-reprts.shtml>

Teachers' Pension and Annuity Fund (TPAF)

The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the 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.

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Public Employees' Retirement System (PERS)

The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program (DCRP) was established as of July 1, 2007 under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et seq.). The DCRP is a cost-sharing multiple-employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N. J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by state statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus plan assets in the retirement system; however statute also requires the return to the normal rate when such surplus pension assets no longer exist. In addition to the employee contributions, the School District's contribution amounts for each pay period are required to be transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period. The School District has employees enrolled in the Defined Contribution Retirement Program (DCRP) for the the fiscal year ended June 30, 2023.

Funding Policy

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 7.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The current TPAF and the PERS rate is 7.5% of covered payroll. The School District's contributions to TPAF for the years ending June 30, 2023, 2022 and 2021 were \$4,766,944, \$4,469,038, and \$3,491,470 respectively, and paid by the State of New Jersey on behalf of the board, equal to the required contributions for each year. The School District's contributions to PERS for the years ending June 30, 2023, 2022 and 2021 were \$374,468, \$336,766, and \$303,839 respectively, equal to the required contributions for each year.

The Board's total payroll for the year ended June 30, 2023, was \$15,006,383. The TPAF covered payroll for the years ending June 30, 2023, 2022 and 2021 were \$10,326,099, \$10,525,622, and \$10,178,936. and the PERS covered payroll was \$2,064,147, \$2,194,192, and \$2,117,924.

During the fiscal years ended June 30, 2023, 2022 and 2021, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the Board \$757,022, \$775,201, and \$741,536, during the same fiscal years for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts, which are not required to be budgeted, have been included in the financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance with GASB standards.

Vesting and Benefit Provisions - The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for

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medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. 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.

Significant Legislation

Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

- New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of ¼ of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PES members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Chapter 1, P.L. 2010, effective May 21, 2010, made a number of changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation, the positions eligible for service credit, the non-forfeitable right to a pension, the prosecutor's part of the PERS, special retirement under the PFRS, and employer contributions to the retirement systems.

Also, Chapter 1, P.L. 2010 changed the membership eligibility criteria for new members of PERS from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS to 1/60th from 1/55th, and it provided that new members of PERS have the retirement allowance calculated using the average annual compensation for the last five years of

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service instead of the last three years of service. New members of PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. For new members of the PFRS, the law capped the maximum compensation that can be used to calculate a pension from these plans at the annual wage contribution base for social security and requires the pension to be calculated using a three-year average annual compensation instead of the last year's salary. This law also closed the Prosecutors Part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time 5 years of pension service credit is attained. The law also requires the State to make its full pension contribution, defined a 1/7th of the required amount, beginning in fiscal years 2012.

Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of the PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Chapter 92, P.L. 2007 implemented certain recommendations contained in the December 1, 2006, report of the Joint Legislative Committee on Public Employee Benefits Reform; established a DCRP for elected and certain appointed officials, effective July 1, 2007; the new pension loan interest rate became 4.69% per year, and an \$8.00 processing fee per loan was charged, effective January 1, 2008. The legislation also removed language from existing law that permits the State Treasurer to reduce employer pension contributions needed to fund the Funds and Systems when excess assets are available.

NOTE 10 – PENSION LIABILITIES - PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

In 2012, the Governmental Accounting Standards Board issued GASB statement 68. This statement is effective for fiscal years beginning after June 15, 2014. This statement changes the method of reporting the School District's pension liabilities. The following information describes the School District's proportionate share of the statewide pension system's liabilities and expenses.

The following represents the School District's pension liabilities as June 30, 2022:

Public Employees' Retirement System

The School District has a liability of \$4,481,382 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 that was rolled forward to June 30, 2022. The School District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the District's proportion is 0.02969498330%, which is an increase of 3.27% from its proportion measured as of June 30, 2021.

For the year ended December 31, 2022, the District recognized negative pension expense of \$312,833. At December 31, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

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	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	\$ 32,345	\$ (28,523)
Changes of assumptions	13,885	(671,040)
Net difference between projected and actual earnings on pension plan investments	185,480	-
Changes in proportion	<u>437,879</u>	<u>(103,900)</u>
Total	<u>\$ 669,589</u>	<u>\$ (803,463)</u>

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

Year ended June 30,	
2024	\$ (122,368)
2025	(45,068)
2026	(3,167)
2027	37,016
2028	<u>(288)</u>
Total	<u>\$ (133,874)</u>

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 assumptions, applied to all periods in the measurement:

Inflation rate	
Price	2.75%
Wage	3.25%
Salary increases:	2.75% – 6.55% (based on years of service)
Investment rate of return:	7.00%

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 disable 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 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.

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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 Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US 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%

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 made based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for 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 in determining the total pension liability.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.

The following presents the School District's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Municipality's proportionate share of the net pension liability	\$ 5,374,096	\$ 4,481,382	\$ 3,722,491

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NOTES TO FINANCIAL STATEMENTS
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Pension plan fiduciary net position.

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

NOTE 11 – PENSION LIABILITIES - TEACHERS' PENSION AND ANNUITY FUND (TPAF)

At June 30, 2022, the District liability for its proportionate share of the net pension liability which is considered a Special Funding Situation with the State of New Jersey is reported below.

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

The amount recognized by the School District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$	-
State's proportionate share of the net position liability associated with the District		<u>44,754,427.00</u>
Total	\$	<u>44,754,427.00</u>

The net pension liability was measured as of June 30, 2022 and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2022, the District's proportion was 0.00%, which was no change from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the District recognized pension expense of \$1,204,467 and revenue of \$1,204,467 for support provided by the State.

Actuarial assumptions. The total pension liability in the June 30, 2022 actuarial valuation 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 assumptions, applied to all period included in the measurement:

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Inflation Rate	
Price	2.75%
Wage	3.25%
Salary increases	2.75% - 5.65% (based on years of service)
Investment rate of return	7.00%

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

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

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 Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return.
US 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	2.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	8.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	5.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

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(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 District's proportionate share of the net pension liability to changes in the discount rate.

The following presents the School District's proportionate share of the net pension liability calculated using the discount rate of 7.0% as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.0%) or 1-percentage point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
District's proportionate share of the net pension liability	\$ -	\$ -	\$ -
State's proportionate share of the net position liability associated with the District	\$ 52,475,516.71	\$ 44,754,427.00	\$ 38,250,379.11

Pension plan fiduciary net position.

Detailed information about the pension plan's fiduciary net position is available in the separately issued TPAF financial report.

Additional Information

Collective balances of the local group at June 30, 2022 are as follows:

Deferred outflows of resources	\$ 5,004,259,312
Deferred inflows of resources	19,682,774,794
Net pension liability	51,676,587,303

Collective pension expense for the plan for the measurement period ended June 30, 2022 is \$1,390,761,344.

NOTE 12 – OTHER POST-RETIREMENT BENEFITS

General Information about the OPEB 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.

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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 reported 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 contributions. 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 pre-fund, 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 GASBE 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>.

Total OPEB Liability

The State, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the board of education/board of trustees. Note that actual numbers will be published in June 30, 2023 III-3.8 the NJ State ACFR on the Office of Management and Budget's Financial Publications webpage: [NJ OMB - Financial Publications](#)

Actuarial assumptions and other imputes. The total OPEB liability in the June 30, 2022, actuarial valuation reported by the State in the State's most recently issued ACFR 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 and other inputs, applied to all periods included in the measurement, unless otherwise specified:

**MANTUA TOWNSHIP SCHOOL DISTRICT
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Salary Increases

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

Mortality Rates

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 disabled retirees. Future disabled retirees were based on the Pub-2020 “Safety” (PFRS), “General” (PERS), and “Teachers” (TPAF/ABP) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of the TPAF, PERS, and PFRS experience studies for the period 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 4.5% 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 4.5% 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 4.5% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.5% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

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.

**MANTUA TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

Changes in the Total OPEB Liability reported by the State of New Jersey

Balance at 6/30/22 (Based on 6/30/2021 measurement date)	\$ 60,007,650,970.00
Changes for the year:	
Service cost	2,770,618,025.00
Interest	1,342,187,139.00
Changes in Benefit Terms	-
Differences between Expected & Actual Experiences	1,399,200,736.00
Changes in assumptions or other inputs	(13,586,368,097.00)
Contributions: Member	42,650,252.00
Benefit payments	<u>(1,329,476,059.00)</u>
Net changes	<u>(9,361,188,004.00)</u>
Balance at 6/30/23 (Based on 6/30/2022 measurement date)	<u>\$ 50,646,462,966.00</u>

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

The following presents the total OPEB liability as of June 30, 2022, respectively, calculated using a discount rate as disclosed above as well as what the total non-employer OPEB would be if it was calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability	\$ 59,529,589,697.00	\$ 50,646,462,966.00	\$ 43,527,080,995.00

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

The following presents the total OPEB liability as of June 30, 2022, calculated using the healthcare trend rate as disclosed above as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability (School Retirees)	\$ 41,862,397,291.00	\$ 50,646,462,966.00	\$ 62,184,866,635.00

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

For the year ended June 30, 2022, the board of education recognized OPEB expense of \$529,813 determined by the State as the total OPEB liability for benefits provided through a defined OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB 75 and in which there is a special funding situation.

In accordance with GASB 75, the board of education's proportionate share of school retirees OPEB is zero, there is no recognition of the allocation of proportionate share of deferred outflows of resources and

**MANTUA TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

deferred inflows of resources. At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employees' OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 9,042,402,619.00	\$ (15,462,950,679.00)
Changes in assumptions	8,765,620,577.00	(17,237,289,230.00)
	\$ 17,808,023,196.00	\$ (32,700,239,909.00)

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

Year Ended June 30,			
2023	\$	(2,517,151,602.00)	
2024		(2,517,151,602.00)	
2025		(2,517,151,602.00)	
2026		(2,175,449,761.00)	
2027		(1,243,951,140.00)	
Thereafter		(3,921,361,006.00)	
	\$	(14,892,216,713.00)	

(Contributions made after June 30 are reported as deferred outflow of resources but are not amortized in the expense.)

Detailed information about the plan's fiduciary net position is available in the separately issued OPEB financial report.

NOTE 13 – COMPENSATED ABSENCES

The liability for vested compensated absences for the governmental fund types is recorded in current and long-term liabilities. The current portion of the compensated absences balance of the governmental funds is not considered material to the applicable fund's total liabilities, and therefore is not shown separately from the long-term liability of compensated absences.

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, the liability for compensated absences was \$818,118 and the Food Service Enterprise Fund was \$20,515.

NOTE 14 – DEFERRED COMPENSATION

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

Lincoln Investment Planning, Inc.

Met Life

**MANTUA TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

NOTE 15 – CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the inclusion of \$1,000.00 October, 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. 6:23A-2.13(g) 7*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Beginning balance, July 1, 2022	\$	738,427
Deposits		
Interest earned		100
Ending balance, June 30, 2023	\$	738,527

NOTE 16 – MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by the Board of Education for the accumulation of funds for use as required maintenance expenditures in subsequent fiscal years. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning balance, July 1, 2022	\$	759,904
Deposits		
Deposits by Resolution		100,000
		859,904
Less: Utilized in the budget		219,500
Ending balance, June 30, 2023	\$	640,404

**MANTUA TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

NOTE 17 – COMMITMENTS

The District did not have an encumbrance policy for the fiscal year end to determine significant encumbrances. All encumbrances are classified as either Assigned Fund Balance in the General Fund or Committed Fund Balance in the Capital Projects Fund. Encumbrances in the Special Revenue Fund are reflected as unearned revenue. Reserve for encumbrances as of June 30th are as follows;

Fund	Amount
General Fund Encumbered Orders	\$ 216,553

Of the general fund encumbrances, \$0 is for capital outlay.

NOTE 18 – RISK MANAGEMENT

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

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

NOTE 19 – CONTINGENT LIABILITIES

Federal and State Grants

The School District participates in numerous federal and state grant programs. The grant programs are subject to program compliance audits by the grantors or their representatives. The School District is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance would result in the disallowance of program expenditures.

NOTE 20 – FUND BALANCE APPROPRIATED

General Fund – Of the \$3,225,869 General Fund - fund balance, at June 30, 2023, \$738,527 has been restricted for the Capital Reserve Account; \$640,404 has been restricted for the Maintenance Reserve Account; \$326,120 has been restricted for current year excess surplus; \$84,645 is restricted for prior year excess surplus – designated for subsequent year’s expenditures; \$925,530 has been assigned and included as anticipated revenue for the year ending June 30, 2024; \$216,553 has been assigned for other purposes and \$294,090 has been unassigned.

Special Revenue Fund – Of the (\$53,008) Special Revenue Fund fund balance at June 30, 2023, \$121,527 is restricted for student activities and \$1,082 is restricted for scholarships and (\$175,617) is restricted for Special Revenue Fund.

**MANTUA TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

NOTE 21 – CALCULATION OF EXCESS SURPLUS

In accordance with NJSA 18A:7F-7, as amended by P.L. 2004, c.73, the designation for Reserved Fund Balance – Excess Surplus is a required calculation. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2023 is \$410,765, of which \$84,645 has been included in the 2024 fiscal year budget.

NOTE 22 – LITIGATION

As of the date of this report, the Mantua Township Board of Education is not currently involved in any litigation.

NOTE 23 – ECONOMIC DEPENDENCY

The School District receives support from the federal and state governments. A significant reduction in the level of support, if this were to occur, would have an effect on the School District's programs and activities.

NOTE 24 – SUBSEQUENT EVENT

Management has reviewed and evaluated all events and transactions that occurred from June 30, 2023 through November 30, 2023, the date that the financial statements were available to be issued for possible disclosure and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure.

**REQUIRED SUPPLEMENTARY INFORMATION
PART II**

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Budgetary Comparison Schedules

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**MANTUA TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 14,822,690		\$ 14,822,690	\$ 14,822,690	
Tuition from Individuals	5,000		5,000	750	(4,250)
Tuition from Other LEAS	10,000		10,000	80,165	70,165
Interest Earned on Investments	100		-	15,615	15,615
Interest Earned on Capital Reserve	42,000		42,000	100	
Unrestricted Miscellaneous	14,879,790		14,879,790	57,425	15,425
Total Local Sources		-	14,879,790	14,976,745	96,955
State Sources:					
Categorical Special Education Aid	731,840		731,840	731,840	
Security Aid	24,998		24,998	24,998	
Transportation Aid	92,254		92,254	92,254	
Equalization Aid	4,747,798		4,747,798	4,747,798	
Extraordinary Aid	50,000		50,000	94,363	44,363
Supplemental Stabilization Aid				372,458	372,458
Nonpublic Transportation				18,096	18,096
TPAF Pension (On-Behalf - Non-Budgeted)				3,773,723	3,773,723
TPAF Post-retirement (On-Behalf - Non-Budgeted)				991,348	991,348
TPAF Long Term Disability Insurance				1,873	1,873
TPAF Social Security (Reimbursed-Non-Budgeted)				757,022	757,022
Total State Sources	5,646,890	-	5,646,890	11,605,773	5,958,883
Federal Sources:					
Medicaid Reimbursement	28,341		28,341	91,682	63,341
Medicaid SEMI COVID-19				2,505	2,505
Total Federal Sources	28,341	-	28,341	94,187	65,846
Total Revenues	20,555,021	-	20,555,021	26,676,705	6,121,684

MANTUA TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
EXPENDITURES:					
CURRENT EXPENSE					
REGULAR PROGRAMS - INSTRUCTION					
Kindergarten - Salaries of Teachers	546,000	4,874	550,874	550,874	
Grades 1 - 5 Salaries of Teachers	4,138,750	(117,698)	4,021,052	4,021,052	
Grades 6 - 8 Salaries of Teachers	612,500	(6,473)	606,027	606,027	
Regular Programs - Home Instruction					
Salaries of Teachers		5,548	5,548	5,548	
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	111,500	367	111,867	111,867	
Other Purchased Services (400-500 series)	300	(253)	47	47	
General Supplies	181,070	5,220	186,290	116,359	69,931
Textbooks	109,000	(9,114)	99,886	99,886	
Other Objects	300	(300)			
TOTAL REGULAR PROGRAMS - INSTRUCTION	5,699,420	(117,829)	5,581,591	5,511,613	69,978
SPECIAL EDUCATION - INSTRUCTION					
Learning and or Language Disabilities					
Salaries of Teachers	103,350	(5,304)	98,046	97,991	55
Other Salaries for Instruction	94,450	(15,665)	78,785	77,799	986
General Supplies	3,850	548	4,398	3,334	1,064
Total Learning and or Language Disabilities	201,650	(20,421)	181,229	179,124	2,105
Multiple Disabilities					
Salaries of Teachers	155,500	32,728	188,228	165,616	22,612
Other Salaries for Instruction	160,000	(26,177)	133,823	133,409	414
General Supplies	1,000		1,000	159	841
Total Multiple Disabilities	316,500	6,551	323,051	299,184	23,867
Resource Room/Resource Center					
Salaries of Teachers	1,611,750	80,271	1,692,021	1,651,022	40,999
Other Salaries for Instruction	264,500	29,819	294,319	294,319	-
General Supplies	5,750	(49)	5,701	2,437	3,264
Textbooks	3,800	(1,558)	2,242	2,242	
Total Resource Room/Resource Center	1,885,800	108,483	1,994,283	1,947,778	46,505

MANTUA TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Special Education - Preschool Disabled Part-time	-	4,847	4,847	4,847	
Other Salaries for Instruction					
Total Preschool Disabled Part-time		4,847	4,847	4,847	
Special Education - Preschool Disabled Full-time					
Salaries of Teachers	152,120	4,145	156,265	156,237	28
Other Salaries for Instruction	148,166	(35,439)	112,727	112,727	-
General Supplies	3,500	(352)	3,148	1,725	1,423
Total Preschool Disabled Full-time	303,786	(31,646)	272,140	270,689	1,451
Special Education - Home Instruction					
Purchased Professional - Educational Services	4,500	2,000	6,500	6,384	116
Total Home Instruction	4,500	2,000	6,500	6,384	116
TOTAL SPECIAL EDUCATION - INSTRUCTION	2,712,236	69,814	2,782,050	2,708,006	74,044
Basic Skills/Remedial - Instruction					
Salaries of Teachers	737,200		737,200	661,173	76,027
Other Salaries for Instruction	66,000	(448)	65,552	452	65,100
General Supplies	3,600	448	4,048	867	3,181
Total Basic Skills/Remedial - Instruction	806,800	-	806,800	662,492	144,308
Bilingual Education - Instruction					
Salaries of Teachers	5,000		5,000	1,311	3,689
General Supplies	2,100		2,100	904	1,196
Total Bilingual Education - Instruction	7,100	-	7,100	2,215	4,885
School-Spon. Cocurricular Activities - Instruction					
Salaries	35,000		35,000	21,413	13,587
Total School-Spon. Cocurricular Activities - Inst.	35,000	-	35,000	21,413	13,587

MANTUA TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
UNDISTRIBUTED EXPENDITURES					
Undistributed Expenditures - Instruction					
Tuition to Other LEAs Within the State-Regular	15,000	(188)	14,812	14,812	
Tuition to Private Schools for the Disabled - Within State	100,000	26,560	126,560	126,560	
Total Undistributed Expenditures - Instruction	115,000	26,372	141,372	141,372	-
Undistributed Expend. - Health Services					
Salaries	312,250	(18,769)	293,481	293,481	
Purchased Professional and Technical Services	58,210	(8,716)	49,494	49,494	
Supplies & Materials	16,000	(7,364)	8,636	8,091	545
Total Undistributed Expend. - Health Services	386,460	(34,849)	351,611	351,066	545
Undist. Expend. - Speech, PT, OT & Related Services					
Salaries	530,500	2,168	532,668	532,668	
Purchased Professionals - Educational Services	10,000	(3,400)	6,600	6,600	
Supplies & Materials	13,035	(3,804)	9,231	8,925	306
Total Undist. Expend.-Speech, PT, OT & Rel. Svces	553,535	(5,036)	548,499	548,193	306
Undist. Expenditures - Guidance					
Salaries of Other Professional Staff	282,500	(8,432)	274,068	274,068	
Other Purchased Services (400-500 series)	300	(300)			
Supplies & Materials	4,000	(3,504)	496	249	247
Total Undistributed Expend. - Guidance	286,800	(12,236)	274,564	274,317	247
Undist. Expend. - Child Study Teams					
Salaries of Other Professional Staff	441,595	(11,346)	430,249	430,249	
Salaries of Secretarial and Clerical Assistants	83,500	(2,164)	81,336	81,336	
Purchased Professional - Education Services	2,000	3,110	5,110	5,110	
Other Purchased Prof. And Tech. Services	49,450	(25,530)	23,920	23,919	1
Miscellaneous Purchased Services (400-500 series)	2,500	(2,500)			
Supplies & Materials	15,000	(5,565)	9,435	8,645	790
Other Objects	1,950	(565)	1,385	1,385	
Total Undist. Expend. - Child Study Teams	595,995	(44,560)	551,435	550,644	791

**MANTUA TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Undist. Expend. - Improvement of Inst. Services					
Salaries of Supervisor of Instruction	53,945	723	54,668	54,668	
Salaries of Sec and Clerical Assist.	26,250	(560)	25,690	25,690	
Purchased Professional - Education Services	18,000	505	18,505	18,505	
Miscellaneous Purchased Services (400-500 series)	500	(500)			
Supplies & Materials	5,000	654	5,654	4,070	1,584
Other Objects	100	745	845	845	
Total Undist. Expend. - Improvement of Inst. Serv.	103,795	1,567	105,362	103,778	1,584
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries of Other Professional Staff	156,350	(4,874)	151,476	151,476	
Supplies & Materials	10,000	(860)	9,140	8,991	149
Total Undistributed Expenditures - Educational Media Services - School Library	166,350	(5,734)	160,616	160,467	149
Undist. Expend. - Instructional Staff Training Serv.					
Salaries of Supervisors Inst.	53,945	123	54,068	54,067	1
Salaries of Other Professional Staff		2,573	2,573	2,573	
Salaries of Sec and Clerical Assist.	26,250	340	26,590	26,590	
Purchased Professional - Educational Services	14,200	4,363	18,563	18,562	1
Purchased Professional and Technical Services	2,000	(1,268)	732	732	
Other Purchased Services (400-500 series)	30,000	(19,165)	10,835	7,980	2,855
Supplies & Materials	2,500	(168)	2,332	2,332	
Total Undistributed Expenditures - Instructional Staff Training Services	128,895	(13,202)	115,693	112,836	2,857

**MANTUA TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries of Other Professional Staff	147,400	(1,118)	146,282	146,271	11
Salaries of Secr and Clerical Assist.	70,300	(509)	69,791	69,790	1
Legal Services	25,000	38,970	63,970	63,970	
Audit Fees	31,000	(400)	30,600	30,600	
Other Purchased Professional Services	20,500	(4,770)	15,730	14,053	1,677
Purchased Technical Services	8,000	(20)	7,980	7,888	92
Communications/Telephone	82,000	(15,407)	66,593	66,593	
Misc. Purch Serv (400-500) [Other than 530 & 585]	75,500	(8,502)	66,998	66,492	506
BOE Other Purchased Services					
General Supplies	13,100	(475)	12,625	12,117	508
Miscellaneous Expenditures	12,500	(6,681)	5,819	5,809	10
BOE Membership Dues/Fees	10,000	(844)	9,156	9,155	1
Total Undistr. Expend. - Supp Svs - Gen.Admin.	495,300	244	495,544	492,738	2,806
Undist. Expend. - Supp. Serv. - School Admin.					
Salaries of Principals/Asst.	402,400	27,262	429,662	429,662	
Salaries of Secretarial Asst.	250,600	(3,996)	246,604	246,604	
Other Purchased Services (400-500 series)	3,465	(346)	3,119	2,779	340
Supplies and Materials	44,300	(21,004)	23,296	19,937	3,359
Other Objects	1,700	92	1,792	1,202	590
Total Undistributed Expenditures - Support Services - School Administration	702,465	2,008	704,473	700,184	4,289
Undist. Expend. - Central Services					
Salaries of Other Professional Staff	12,000	306	12,306	12,306	
Salaries of Secr and Clerical Assist.	228,500	(4,421)	224,079	224,073	6
Purchased Technical Services	24,000	(322)	23,678	23,678	
Miscellaneous Purchased Services (400-500 series)	1,800	3,708	5,508	5,507	1
Supplies and Materials	7,000	1,954	8,954	8,954	
Miscellaneous Expenditures	2,000	1,387	3,387	3,387	
Total Undistributed Expenditures - Central Services	275,300	2,612	277,912	277,905	7

MANTUA TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Undist. Expend. - Admin Info Tech.					
Salaries	172,500	(1,169)	171,331	171,087	244
Purchased Technical Services	1,000	(1,000)			
Other Purchased Services (400-500 series)	41,880	8,767	50,647	50,646	1
Supplies and Materials	46,600	54,732	101,332	100,913	419
Total Undistributed Expenditures - Admin Info. Tech.	261,980	61,330	323,310	322,646	664
Undist. Expend. - Required Maint. School Fac.					
Salaries	129,500	173,561	303,061	169,714	133,347
Cleaning, Repair and Maintenance Services	90,000	28,455	118,455	115,380	3,075
General Supplies					
Other Objects					
Total Undistributed Expenditures - Required Maintenance for School Facilities	219,500	202,016	421,516	285,094	136,422
Custodial Services					
Other Oper. & Maint. of Plant					
Salaries	693,250	(23,846)	669,404	669,404	
Salaries - Non- Instructional Aides	310,000	6,790	316,790	316,790	
Purchased Professional and Technical Services	9,500	(171)	9,329	3,143	6,186
Cleaning, Repair and Maintenance Services	29,983	(29,983)			
Rental of Land and Buildings	4,400		4,400	4,400	
Other Purchased Property Services	38,000		38,000	33,706	4,294
Insurance	120,000	(22,857)	97,143	96,044	1,099
Miscellaneous Purchased Services	6,000		6,000	2,933	3,067
General Supplies	31,000	(24,901)	6,099	6,099	
Natural Gas	85,000	31,676	116,676	116,676	
Energy (Electricity)	465,000	(32,549)	432,451	425,455	6,996
Total Undistributed Expenditures - Custodial Services	1,792,133	(95,841)	1,696,292	1,674,650	21,642
Undist. Expend. - Security					
General Supplies	55,000	(9,287)	45,713	27,115	18,598
Total Security	55,000	(9,287)	45,713	27,115	18,598
Total Undistributed Expenditures Operations and Maintenance of Plant	2,066,633	96,888	2,163,521	1,986,859	176,662

**MANTUA TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Undist. Expend. - Student Transportation Serv.					
Contr. Serv. - Aid in Lieu Payments - NonPub Sch	55,000	2,953	57,953	57,953	
Contr. Serv. - (Other than Btn Home & School) - Vendors	80,000	(2,953)	77,047	58,598	18,449
Contr. Serv. - (Btn Home & School) - Joint Agrmt	719,500	(180,095)	539,405	539,405	
Contr. Serv. - (Special Ed Students) - Vendors	100,500	104,389	204,889	204,389	500
Total Undistributed Expenditures - Student Transportation Services	955,000	(75,706)	879,294	860,345	18,949
Unallocated Benefits - Employee Benefits					
Social Security Contribution	300,000	13,318	313,318	313,318	-
Other Retirement Contributions - PERS	393,000	32,911	425,911	425,879	32
Unemployment	60,000	(1,162)	58,838	58,838	
Workmen's Compensation	120,000	2,710	122,710	122,709	1
Health Benefits	3,575,400	43,445	3,618,845	3,298,489	320,356
Tuition Reimbursement	50,000	(10,540)	39,460	39,460	
Other Employee Benefits		5,000	5,000	5,000	
Unused Sick Payment to Staff/Normal Retirements	1,000	35,623	36,623	36,623	
Total Unallocated Benefits	4,499,400	121,305	4,620,705	4,300,316	320,389
On-Behalf Contributions					
On-Behalf TPAF Pension Contribution (non-bud)				3,773,723	(3,773,723)
On-Behalf TPAF Post-retir. Contribution (non-bud)				991,348	(991,348)
On-Behalf TPAF Long Term Disability Insurance				1,873	(1,873)
Reimbursed TPAF Social Security Cont.(non-bud)				757,022	(757,022)
Total On-Behalf Contributions	-	-	-	5,523,966	(5,523,966)
Total Personal Services - Employee Benefits	4,499,400	121,305	4,620,705	9,824,282	(5,203,577)
TOTAL UNDISTRIBUTED EXPENDITURES	11,592,908	121,003	11,713,911	16,707,632	(4,993,721)
TOTAL GENERAL CURRENT EXPENSE	20,853,464	72,988	20,926,452	25,613,371	(4,686,919)

**MANTUA TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
TOTAL EXPENDITURES	<u>20,853,464</u>	<u>72,988</u>	<u>20,926,452</u>	<u>25,613,371</u>	<u>(4,686,919)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(298,443)</u>	<u>(72,988)</u>	<u>(371,431)</u>	<u>1,063,334</u>	<u>1,434,765</u>
Other Financing Sources/(Uses):					
Operating Transfers:					
Transfer to Special Revenue Fund	270,180		270,180	270,180	-
Total Other Financing Sources/(Uses):	<u>270,180</u>	<u>-</u>	<u>270,180</u>	<u>270,180</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	<u>(568,623)</u>	<u>(72,988)</u>	<u>(641,611)</u>	<u>793,154</u>	<u>1,434,765</u>
Fund Balance July 1	2,980,734		2,980,734	2,980,734	-
Fund Balance June 30	<u>\$ 2,412,111</u>	<u>\$ (72,988)</u>	<u>\$ 2,339,123</u>	<u>\$ 3,773,888</u>	<u>\$ 1,434,765</u>
Recapitulation:					
Restricted Fund Balance:				\$ 84,645	
Excess Surplus - Designated for Subsequent Year's Expenditures				326,120	
Excess Surplus - Current Year				738,527	
Capital Reserve				640,404	
Maintenance Reserve					
Assigned Fund Balance:					
Year-End Encumbrances				216,553	
Designated for Subsequent Year's Expenditures				925,530	
Unassigned Fund Balance					
General Fund				<u>842,109</u>	
				<u>3,773,888</u>	
Reconciliation to Governmental Funds Statements (GAAP):					
Last Two State Aid Payments not recognized on GAAP Basis				<u>(548,019)</u>	
					<u>\$ 3,225,869</u>

MANTUA TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
REVENUES:					
Local Sources		64,345 \$	64,345 \$	466,016 \$	401,671
State Sources	3,063,350	358,858	3,422,208	2,261,157	(1,161,051)
Federal Sources	52,300	1,157,497	1,209,797	901,562	(308,235)
Total Revenues	3,115,650	1,580,700	4,696,350	3,628,735	(1,067,615)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	716,374	174,599	890,973	801,218	89,755
Other Salaries for Instruction	222,760	104,755	327,515	324,943	2,572
Purchased Professional - Educational Services	25,000	97,874	122,874	85,616	37,258
Other Purchased Services (400-500 series)	104,300	487,203	487,203	431,943	55,260
General Supplies		125,385	229,685	158,490	71,195
Textbooks		18,414	18,414	18,180	234
Other Objects	100,000	(7,349)	92,651	5,791	86,860
Total Instruction	1,168,434	1,000,881	2,169,315	1,826,181	343,134
Support Services:					
Other Salaries	483,309	29,000	512,309	466,380	45,929
Personal Services - Employee Benefits	333,288	64,250	397,538	329,960	67,578
Purchased Professional - Educational Services	20,000	33,792	53,792	9,507	44,285
Other Professional Services	30,000		30,000	5,494	24,506
Purchased Professional Technical Services		2,605	2,605	2,604	1
Other Purchased Services (400-500 series)	425,000	29,320	454,320	289,498	164,822
General Supplies	100,000	139,989	239,989	131,618	108,371
Other Objects	10,000		10,000	5,051	4,949
Scholarships Awarded				200	(200)
Student Activities				118,072	(118,072)
Total Support Services	1,401,597	298,956	1,700,553	1,358,384	342,169
Facilities Acquisition & Construction Services:					
Building					
Instructional Equipment	250,000	5,587	255,587	157,776	97,811
Non-Instructional Equipment	295,619	275,276	570,895	208,830	362,065
	545,619	280,863	826,482	366,606	459,876
Total Expenditures	3,115,650	1,580,700	4,696,350	3,551,171	1,145,179
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ 77,564	\$ 77,564
Fund Balance, July 1				45,045	
Fund Balance, June 30				122,609	

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

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MANTUA TOWNSHIP SCHOOL DISTRICT
Required Supplementary Information
Budget-to-GAAP Reconciliation
Note to RSI
For the Year Ended June 30, 2023

Note A - Explanation of Differences Between Budgetary Inflows and Outflows GAAP Revenue and Expenditures

	General Fund	Special Revenue Fund
Sources / inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 26,676,705	3,628,735
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year		198,607
Current Year		(195,561)
The Final State Aid payment for the Year Ended June 30, 2022 that was delayed until July 2022 was recorded as budgetary revenue for the Year Ended June 30, 2022 but is not recognized under GAAP until the Year Ended June 30, 2023.	557,781	172,315
The Final State Aid payment for the Year Ended June 30, 2023 that was delayed until July 2023 was recorded as budgetary revenue for the Year Ended June 30, 2023 but is not recognized under GAAP until the Year Ended June 30, 2024.	(548,019)	(175,617)
	<u>26,686,467</u>	<u>3,628,479</u>
Uses / outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	25,613,371	3,551,171
Difference - budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for GAAP financial reporting purposes.		
Prior Year		198,607
Current Year		(195,561)
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds.	<u>\$ 25,613,371</u>	<u>3,554,217</u>

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**REQUIRED SUPPLEMENTARY INFORMATION
PART III**

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability (asset)	0.0296949833%	0.0287600000%	0.0277700000%	0.0260700000%	0.0280500000%	0.0279100000%	0.0310200000%	0.0333300000%	0.0322300000%	0.0304800000%
District's proportionate of the net pension liability (asset)	\$ 4,481,382	\$ 3,406,577	\$ 4,529,294	\$ 4,697,450	\$ 5,521,957	6,496,365	9,187,726	7,481,562	6,034,577	5,825,953
District's covered payroll	\$ 2,064,147	\$ 2,194,192	\$ 2,177,924	\$ 2,120,524	\$ 2,029,668	2,142,424	2,133,750	2,275,474	2,505,319	2,508,414
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	217.11%	155.25%	207.96%	221.52%	272.06%	303.22%	430.59%	328.79%	240.87%	232.26%
Plan fiduciary net position as a percentage of the total pension liability	62.91%	58.32%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

Source: GASB 68 report on Public Employees' Retirement System; District records

MANTUA TOWNSHIP SCHOOL DISTRICT
Schedule of District Contributions
Public Employee Retirement System
Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	374,468	336,766	303,839	253,586	278,959	258,531	275,592	286,535	265,710	229,685
Contributions in relation to the contractually required contribution	374,468	336,766	303,839	253,586	278,959	258,531	275,592	286,535	265,710	229,685
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
District's covered-employee payroll	2,064,147	2,194,192	2,177,924	2,120,524	2,029,668	2,142,424	2,133,750	2,275,474	2,505,319	2,508,414
Contributions as a percentage of covered-employee payroll	18.14%	15.35%	13.95%	11.96%	13.74%	12.07%	12.92%	12.59%	10.61%	9.16%

Source: GASB 68 report on Public Employees' Retirement System; District records

Note: This schedule is required by GASB 68 to be show information for a 10 year period.
However, information is only currently available for five years.
Additional years will be presented as they become available.

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	-	-
State's proportionate share of the net pension liability (asset) associated with the District	44,754,427	43,122,316	56,907,950	53,564,123	56,518,320	58,888,836	66,488,942	52,434,950	44,827,767	42,262,364
Total	\$ 44,754,427	\$ 43,122,316	\$ 56,907,950	\$ 53,564,123	\$ 56,518,320	\$ 58,888,836	66,488,942	52,434,950	44,827,767	42,262,364
District's covered payroll	10,326,099	10,525,622	10,178,936	10,080,521	9,734,220	9,587,483	9,668,172	9,220,197	8,909,304	8,470,859
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
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%

Source: GASB 68 report on Public Employees' Retirement System; District records

Note: This schedule is required by GASB 68 to be show information for a 10 year period. However, information is only currently available for five years. Additional years will be presented as they become available.

MANTUA TOWNSHIP SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net OPEB Liability
Public Employee Retirement System and Teachers' Pension and Annuity Fund
Last Six Fiscal Years

	2023	2022	2021	2020	2019	2018
District's proportion of the net OPEB liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net OPEB liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	-
State's proportionate share of the net OPEB liability (asset) associated with the District	<u>\$ 51,210,658</u>	<u>\$ 58,877,622</u>	<u>\$ 66,850,230</u>	<u>\$ 40,801,899</u>	<u>\$ 45,083,614</u>	<u>\$ 55,117,258</u>
Total	<u><u>\$ 51,210,658</u></u>	<u><u>\$ 58,877,622</u></u>	<u><u>\$ 66,850,230</u></u>	<u><u>\$ 40,801,899</u></u>	<u><u>\$ 45,083,614</u></u>	<u><u>\$ 55,117,258</u></u>
District's covered payroll	\$ 12,390,246	\$ 12,719,814	\$ 12,356,860	\$ 12,201,045	\$ 11,763,888	\$ 11,729,907
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's proportionate share of OPEB associated with the District:						
Service Cost	2,783,501	3,241,073	1,788,901	1,775,090	2,032,401	2,450,752
Interest Cost	1,357,139	1,527,348	1,471,099	1,790,138	2,025,308	1,744,639
Change in Benefit Terms		(62,668)				
Differences between Expected & Actual	3,231,275	(11,572,373)	11,705,623	(7,239,933)	(7,753,928)	
Changes in Assumptopns	(13,737,718)	58,087	12,211,240	608,360	(5,173,570)	(7,223,647)
Member Contributions	43,125	39,047	35,275	37,127	41,665	47,009
Benefit Payments	(1,344,286)	(1,203,122)	(1,163,807)	(1,252,497)	(1,205,520)	(1,276,633)
Change in Total Opeb Liability	<u>(7,666,964)</u>	<u>(7,972,608)</u>	<u>26,048,331</u>	<u>(4,281,715)</u>	<u>(10,033,644)</u>	<u>(4,257,880)</u>
State's proportionate share of the net OPEB liability (asset) associated with the District -						
Beginning Balance	<u>58,877,622</u>	<u>66,850,230</u>	<u>40,801,899</u>	<u>45,083,614</u>	<u>55,117,258</u>	<u>59,375,138</u>
Ending Balance	<u>51,210,658</u>	<u>58,877,622</u>	<u>66,850,230</u>	<u>40,801,899</u>	<u>\$ 45,083,614</u>	<u>\$ 55,117,258</u>
State's proportionate share of the net OPEB liability associated with the District - as a percentage of its covered-employee payroll	413.31%	462.88%	541.00%	334.41%	383.24%	469.89%

Source: GASB 75 report on State of New Jersey State Health Benefits Program; District records

Note: This schedule is required by GASB 75 to be show information for a 10 year period.
However, information is only currently available for two years.
Additional years will be presented as they become available.

OTHER SUPPLEMENTARY INFORMATION

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MANTUA TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2023

	Scholarship Funds	Student Activity	CRRSA/ ESSER II	CRRSA/ Learning Acceleration	CRRSA/ Mental Health
REVENUES:					
Local Sources	\$ 201	\$ 195,635			
State Sources			80,643	7,181	34,510
Federal Sources			80,643	7,181	34,510
Total Revenues	201	195,635	80,643	7,181	34,510
EXPENDITURES:					
Instruction:					
Salaries of Teachers					
Other Salaries for Instruction					
Purchased Professional - Educational Services					
Other Purchased Services (400-500 series)			439	7,181	31,906
General Supplies					
Textbooks					
Other Objects					
Total Instruction	-	-	439	7,181	31,906
Support Services:					
Salaries of Other Professional Staff					
Personal Services - Employee Benefits			48,000		
Purchased Professional - Educational Services					
Other Professional Services					
Purchased Technical Services					2,604
Other Purchased Services (400-500 series)					
General Supplies					
Other Objects					
Scholarships Awarded	200	118,072			
Student Activities					
Total Support Services	200	118,072	48,000	-	2,604
Capital Outlay:					
Instructional Equipment					
Non-Instructional Equipment			32,204		
Total Capital Outlay	-	-	32,204	-	-
Total Expenditures	200	118,072	80,643	7,181	34,510
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ 1	\$ 77,563	\$ -	\$ -	\$ -
Fund Balance, July 1	1,081	43,964			
Fund Balance, June 30	\$ 1,082	\$ 121,527			

MANTUA TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2023

	Title III	Handicapped Services		Textbook Aid	Auxiliary Services	
		Supp. Instruct	Non Public Exam/Class		Basic Skills	Transportation
REVENUES:						
Local Sources	\$		\$	\$		\$
State Sources		13,712	29,765	18,180	67,007	5,491
Federal Sources	1,370					
Total Revenues	1,370	13,712	29,765	18,180	67,007	5,491
EXPENDITURES:						
Instruction:						
Salaries of Teachers						
Other Salaries for Instruction						
Purchased Professional - Educational Services						
Other Purchased Services (400-500 series)		13,712	29,765		67,007	5,491
General Supplies						
Textbooks	1,370			18,180		
Other Objects						
Total Instruction	1,370	13,712	29,765	18,180	67,007	5,491
Support Services:						
Salaries of Other Professional Staff						
Personal Services - Employee Benefits						
Purchased Professional - Educational Services						
Other Professional Services						
Purchased Technical Services						
Other Purchased Services (400-500 series)						
General Supplies						
Other Objects						
Scholarships Awarded						
Student Activities						
Total Support Services	-	-	-	-	-	-
Capital Outlay:						
Instructional Equipment						
Non-Instructional Equipment						
Total Capital Outlay	-	-	-	-	-	-
Total Expenditure	1,370	13,712	29,765	18,180	67,007	5,491
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance, July 1						
Fund Balance, June 30	\$	\$	\$	\$	\$	\$

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

	ARP ESSER	Nonpublic Security	ARP ESSER Summer	ARP ESSER Beyond School	Nursing	Nonpublic Technology
REVENUES:						
Local Sources	\$	\$	\$	\$		
State Sources	115,144	86,914	17,931	15,716	31,248	11,484
Federal Sources	115,144	86,914	17,931	15,716	31,248	11,484
Total Revenues						
EXPENDITURES:						
Instruction:						
Salaries of Teachers			17,931	15,716		
Other Salaries for Instruction						
Purchased Professional - Educational Services					31,248	
Other Purchased Services (400-500 series)	65,317					11,484
General Supplies						
Textbooks						
Other Objects						
Total Instruction	65,317	-	17,931	15,716	31,248	11,484
Support Services:						
Salaries of Other Professional Staff						
Personal Services - Employee Benefits						
Purchased Professional - Educational Services						
Other Professional Services						
Purchased Technical Services						
Other Purchased Services (400-500 series)		86,914				
General Supplies						
Other Objects						
Scholarships Awarded						
Student Activities						
Total Support Services	-	86,914	-	-	-	-
Capital Outlay:						
Instructional Equipment	49,827					
Non-Instructional Equipment	49,827					
Total Expenditures	115,144	86,914	17,931	15,716	31,248	11,484
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance, July 1						
Fund Balance, June 30	\$	\$	\$	\$	\$	\$

MANTUA TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2023

	Preschool Education	Title IIA	ARP IDEA Basic	Title I Part A	I.D.E.A. Part B	IDEA Preschool	Totals 2023
REVENUES:							
Local Sources	\$ 270,180				\$		\$ 466,016
State Sources	1,950,949			208,532	372,882	39,156	2,261,157
Federal Sources		7,585	912				901,562
Total Revenues	2,221,129	7,585	912	208,532	372,882	39,156	3,628,735
EXPENDITURES:							
Instruction:							
Salaries of Teachers	674,060			69,400		24,111	801,218
Other Salaries for Instruction	221,205			103,738			324,943
Purchased Professional - Educational Services	9,375		912		44,081		85,616
Other Purchased Services (400-500 series)					269,561		431,943
General Supplies	38,045					2,748	158,490
Textbooks							18,180
Other Objects	5,791						5,791
Total Instruction	948,476	-	912	173,138	313,642	26,859	1,826,181
Support Services:							
Salaries of Other Professional Staff	437,380				29,000		466,380
Personal Services - Employee Benefits	219,479			35,394	14,790	12,297	329,960
Purchased Professional - Educational Services	1,922	7,585					9,507
Other Professional Services	5,494						5,494
Purchased Technical Services							2,604
Other Purchased Services (400-500 series)	289,498				15,450		289,498
General Supplies	29,254						131,618
Other Objects	5,051						5,051
Scholarships Awarded							200
Student Activities							118,072
Total Support Services	988,078	7,585	-	35,394	59,240	12,297	1,358,384
Capital Outlay:							
Instructional Equipment	157,776						157,776
Non-Instructional Equipment	126,799						208,830
Total Capital Outlay	284,575						366,606
Total Expenditures	2,221,129	7,585	912	208,532	372,882	39,156	3,551,171
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	- \$	- \$	- \$	- \$	- \$	- \$	77,564
Fund Balance, July 1							45,045
Fund Balance, June 30							122,609

MANTUA TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Preschool Education Aid
Budgetary Basis
For the Year Ended June 30, 2023

	Total		
	Budgeted	Actual	Variance
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 716,374	674,060	\$ 42,314
Other Salaries for Instruction	222,760	221,205	1,555
Purchased Professional - Educational Services	45,000	9,375	35,625
Other Purchased Services (400-500 series)	50,000		50,000
General Supplies	38,045	38,045	
Other Objects	91,955	5,791	86,164
Total Instruction	1,164,134	948,476	215,658
Support Services:			
Salaries of Supervisor of Instruction	15,000	14,746	254
Salaries of Principals/Program Directors	58,968	58,967	1
Salaries of Other Professional Staff	64,567	33,734	30,833
Salaries of Secretarial and Clerical Assistants	43,690	42,007	1,683
Other Salaries	106,433	93,829	12,604
Salaries of Family/Parent Liason	42,084	41,549	535
Salaries of Facilitators and Coaches	152,567	152,548	19
Personal Services - Employee Benefits	285,288	219,479	65,809
Purchased Professional Educational Services	20,000	1,922	18,078
Other Purchased Professional Services	30,000	5,494	24,506
Cleaning, Repair and Maintenance	100,000	61,317	38,683
Other Purchased Services (400-500 series)	15,000		15,000
Between Home and School Vendors	300,000	227,571	72,429
Other than Between Home and School	5,000	610	4,390
Travel	5,000		5,000
Supplies	100,000	29,254	70,746
Other Objects	10,000	5,051	4,949
Total Support Services	1,353,597	988,078	365,519
Facilities Acquisition and Construction Services			
Instructional Equipment	250,000	157,776	92,224
Non-Instructional Equipment	295,619	126,799	168,820
Total Facilities Acquisition and Construction Ser.	545,619	284,575	261,044
Total Expenditures	\$ 3,063,350	\$ 2,221,129	\$ 842,221

CALCULATION OF BUDGET & CARRYOVER

Total Revised 2022-23 Preschool Aid Allocation	\$ 1,756,170
Adjustments	
Add: Actual ECPA Carryover June 30, 2022	1,037,000
Add: Budgeted Transfer from the General Fund	270,180
Total Preschool Education Aid Funds Available for 2022-23 Budget	3,063,350
Less: 2022-23 Budgeted Preschool Education Aid	(3,063,350)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2023	-
Add: June 30, 2023 Unexpended Preschool Education Aid	842,221
2022-23 Actual Carryover - Preschool Education Aid	\$ 842,221
2022-23 Preschool Education Aid Carryover Budgeted for 2023-24	\$ 840,000

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Statistical Section

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MANTUA TOWNSHIP SCHOOL DISTRICT
Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
Net investment in capital assets	14,640,335	15,278,865	15,744,806	16,029,625	16,634,634	16,941,112	17,547,488	17,260,968	16,700,621	16,170,097
Restricted	644,023	750,814	1,337,538	1,689,752	1,961,412	2,250,432	2,591,287	2,580,044	1,954,868	2,662,218
Unrestricted	(387,104)	(6,516,886)	(6,921,781)	(7,768,277)	(8,336,411)	(8,330,262)	(7,828,751)	(6,434,365)	(5,748,739)	(4,845,386)
Total governmental activities net position	14,887,254	9,512,793	10,160,563	9,951,100	10,260,636	10,661,282	12,310,024	13,406,647	12,906,750	13,986,830
Business-type activities										
Net investment in capital assets	3,134	1,714	4,626	3,971	19,967	31,418	27,932	24,446	20,959	60,537
Unrestricted	193,313	228,660	315,475	417,038	331,316	186,048	143,285	61,257	374,939	542,117
Total business-type activities net position	196,447	230,374	320,101	421,009	351,283	217,466	171,217	85,703	395,898	602,654
District-wide										
Net investment in capital assets	14,643,469	15,280,579	15,749,432	16,033,596	16,654,601	16,972,530	17,575,420	17,285,414	16,721,580	16,230,634
Restricted	644,023	750,814	1,337,538	1,689,752	1,961,412	2,250,432	2,591,287	2,580,044	1,954,868	2,662,218
Unrestricted	(203,701)	(6,288,226)	(6,606,306)	(7,351,230)	(8,004,095)	(8,144,214)	(7,885,466)	(6,273,109)	(5,273,800)	(4,303,269)
Total district net position	15,083,701	9,743,167	10,448,664	10,372,109	10,611,918	11,078,748	12,481,241	13,492,350	13,302,648	14,389,384

Source: ACFR Schedule A-1

MANTUA TOWNSHIP SCHOOL DISTRICT
Changes in Net Position,
Last Ten Fiscal Years
(fiscal basis of accounting)

Exhibit J-2

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities:										
Instruction:										
Regular	5,066,941	5,634,951	5,335,790	5,242,127	5,335,334	5,467,526	5,874,694	7,227,184	7,863,747	7,661,215
Special education	2,977,078	3,040,232	3,021,984	3,197,538	3,165,392	3,680,154	3,747,687	2,535,575	2,808,546	5,540,005
Other special education	882,729	899,205	977,692	840,861	985,189	872,363	638,798	671,041	947,472	951,198
Other instruction	38,082	39,950	43,717	55,164	59,876	36,297	50,038	15,945	44,685	
Support services:										
Student & instruction related services	1,980,664	1,959,900	2,120,664	2,022,595	2,040,551	2,113,093	2,709,022	3,114,080	3,151,892	4,798,090
General Administration	393,533	376,003	383,830	414,146	404,896	488,951	489,500	457,841	443,099	1,090,048
School Administration Services	734,176	714,276	714,895	787,267	708,063	713,070	697,022	696,556	694,738	767,096
Central Services	153,580	204,758	219,780	214,941	248,830	277,849	295,680	278,135	306,616	612,294
Administrative Information Technology	170,226	123,971	168,687	157,593	196,050	228,169	211,905	218,284	423,308	322,646
Plant operations and maintenance	1,575,484	1,736,359	1,590,091	1,691,019	1,895,363	2,019,052	1,692,574	1,939,886	2,505,685	3,271,460
Pupil transportation	945,874	888,883	723,337	875,736	834,215	951,995	706,234	725,228	731,746	1,347,133
Unallocated benefits	5,632,643	5,906,225	6,433,133	7,381,027	9,582,240	8,792,367	7,448,273	14,019,056	13,468,196	
Transfer to Charter Schools	207,756	168,557	129,457	15,894	15,894	16,366	22,438			
Interest on long-term debt	44,364		93,331	29,899	67,440	29,899				
Capital Outlay	685,946	680,235	685,861	691,660	680,889	687,056	680,854	680,506	690,612	707,278
Unallocated depreciation										
Total governmental activities expenses	21,479,076	22,375,505	22,548,918	23,680,898	26,230,222	26,396,797	25,262,719	32,581,317	34,070,342	27,068,463
Business-type activities:										
Food service	356,853	352,372	309,950	328,473	403,606	466,533	445,415	386,584	548,018	516,275
Childcare	291,810	312,397	352,368	358,180	517,673	541,174	336,726	294,904	406,378	464,410
Total business-type activities expenses	648,663	664,769	662,318	686,653	921,279	1,007,707	782,141	681,488	954,396	980,685
Total district expenses	22,127,739	23,040,274	23,211,236	24,367,551	27,151,501	27,404,504	26,044,860	33,262,805	35,024,738	28,049,148
Program Revenues										
Governmental activities:										
Charges for services:	119,585	119,265	82,109	82,298	83,575	85,663	86,967	107,252	80,058	-
Operating grants and contributions	635,865	647,320	657,761	677,508	613,164	1,222,524	2,054,102	9,653,956	8,217,717	1,462,176
Total governmental activities program revenues	755,450	766,585	739,870	759,806	696,739	1,308,187	2,141,069	9,761,208	8,297,775	1,462,176
Business-type activities:										
Charges for services:										
Food service	182,314	193,868	211,920	230,383	229,358	245,677	189,207	4,797	83,011	329,208
Childcare	312,952	361,102	393,735	389,288	442,257	451,295	338,889	146,733	450,467	494,098
Operating grants and contributions	134,712	139,126	146,390	167,890	179,938	176,918	197,155	474,180	731,113	364,135
Total business-type activities program revenue	629,978	694,096	752,045	787,561	851,553	873,890	723,251	625,710	1,264,591	1,187,441
Total district program revenue	1,385,428	1,460,681	1,491,915	1,547,367	1,548,292	2,182,077	2,864,320	10,386,918	9,562,366	2,649,617
Net (Expense)/Revenue										
Governmental activities	(20,723,626)	(21,608,920)	(21,809,048)	(22,921,092)	(25,533,483)	(25,088,610)	(23,121,650)	(22,820,109)	(25,772,567)	(25,606,287)
Business-type activities	(18,685)	29,327	89,727	100,908	(69,726)	(133,817)	(58,690)	(55,778)	310,195	206,756
Total district-wide net expense	(20,742,311)	(21,579,593)	(21,719,321)	(22,820,184)	(25,603,209)	(25,222,427)	(23,180,340)	(22,875,887)	(25,462,372)	(25,399,531)

MANTUA TOWNSHIP SCHOOL DISTRICT
Changes in Net Position,
Last Ten Fiscal Years
(accrual basis of accounting)

Exhibit J-2

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	11,954,753	12,193,848	12,438,869	12,686,478	12,940,208	13,199,012	13,331,013	14,037,633	14,402,658	14,822,690
Taxes levied for debt service	843,305	789,510	753,884	718,654	680,038	642,835	562,480	-	-	-
Unrestricted grants and contributions	8,097,381	8,416,642	8,736,927	9,036,353	9,450,816	11,610,618	10,586,639	9,565,562	10,807,236	11,709,722
Tuition revenue	434,411	394,134	456,516	218,354	346,577	154,182	54,155	32,212	58,663	80,915
Investment Earnings	4,783	4,403	4,600	4,941	5,697	20,734	16,996	1,506	-	15,715
Miscellaneous income	65,874	36,790	66,022	46,849	197,996	81,361	31,550	32,781	4,113	57,425
Loss on Disposal of Capital Assets		(4,600)				(19,485)				-
Transfers		21,830,727	22,456,818	22,711,629	23,621,532	25,689,257	24,570,392	23,729,694	25,272,670	26,686,467
Total governmental activities	21,400,507	21,830,727	22,456,818	22,711,629	23,621,532	25,689,257	24,570,392	23,729,694	25,272,670	26,686,467
Business-type activities:										
Investment earnings		4,600					12,641			
Transfers										
Other adjustments										
Total business-type activities	-	4,600	-	-	-	-	12,641	-	-	-
Total district-wide	21,400,507	21,835,327	22,456,818	22,711,629	23,621,532	25,689,257	24,583,033	23,729,694	25,272,670	26,686,467
Changes in Net Position										
Governmental activities	676,881	221,807	647,770	(209,463)	(1,911,951)	600,647	1,448,742	909,585	(499,897)	1,080,180
Business-type activities	(18,685)	33,927	89,727	100,908	(69,726)	(133,817)	(46,249)	(55,778)	310,195	206,756
Total district	658,196	255,734	737,497	(108,555)	(1,981,677)	466,830	1,402,493	853,807	(189,702)	1,286,936

Source: ACFR Schedule A-2

MANTUA TOWNSHIP SCHOOL DISTRICT
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Restricted	644,023	750,814	1,051,143	1,185,062	1,700,394	1,726,877	2,435,657	2,547,826	1,909,823	1,789,696
Assigned	631,472	177,002	286,395	504,690	261,018	523,555	117,040	520,783	95,364	1,142,083
Unassigned	(230,117)	(225,415)	235,956	(230,234)	(214,532)	(229,226)	(155,630)	280,198	417,766	294,090
Total general fund	<u>1,045,378</u>	<u>702,401</u>	<u>1,573,494</u>	<u>1,459,518</u>	<u>1,746,880</u>	<u>2,021,206</u>	<u>2,397,067</u>	<u>3,348,807</u>	<u>2,422,953</u>	<u>3,225,869</u>
All Other Governmental Funds										
Restricted:										
Special revenue fund	13,368	13,368	-	-	-	(165,974)	(164,218)	(130,720)	(127,270)	(53,008)
Debt Service Fund	13,368	13,368	-	-	-	(165,974)	(164,218)	(130,720)	(127,270)	(53,008)
Total all other governmental funds	<u>26,736</u>	<u>26,736</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(331,948)</u>	<u>(328,436)</u>	<u>(261,440)</u>	<u>(254,540)</u>	<u>(106,016)</u>

Source: ACFR Schedule B-1

MANTUA TOWNSHIP SCHOOL DISTRICT
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years

Exhibit J-4

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Tax Levy	12,798,058	12,983,358	13,192,753	13,405,132	13,620,246	13,841,847	13,893,493	14,097,633	14,402,658	14,822,690
Interest Earnings	4,783	4,403	4,600	4,941	5,897	20,734	16,996	1,506	58,663	15,715
Tuition charges	434,411	394,134	456,516	218,354	346,577	154,182	54,155	54,950	90,499	80,915
Miscellaneous	65,874	36,790	78,165	50,115	202,097	81,361	41,250	54,950	13,422,927	255,477
State sources	8,147,918	8,453,175	8,809,750	9,083,019	9,460,466	10,404,288	11,286,852	11,857,859	13,422,927	13,716,731
Federal sources	585,328	610,787	573,005	617,576	599,413	564,323	583,394	761,633	1,323,715	1,153,238
Total revenue	22,036,372	22,482,647	23,114,789	23,389,137	24,234,696	25,066,735	25,876,140	26,805,793	29,298,462	30,044,766
Expenditures										
Instruction:										
Regular instruction	5,060,593	5,613,728	5,355,375	5,215,899	5,337,316	5,408,208	5,781,968	7,201,311	7,841,201	5,511,613
Special education instruction	2,956,847	3,038,268	3,022,457	3,199,450	3,172,835	3,689,379	3,772,610	2,535,575	2,808,546	4,493,782
Other special education instruction	890,181	903,008	916,385	760,276	905,411	797,704	584,789	671,041	947,472	686,120
Other instruction	38,082	39,950	43,717	55,164	59,876	58,297	50,038	15,945	44,685	
Support Services:										
Student & instruction related services	1,854,507	1,887,606	2,113,140	2,042,932	2,033,479	2,154,545	2,703,921	3,024,565	3,144,146	3,619,964
General administrative services	393,659	386,893	388,853	397,822	402,271	486,958	487,995	457,841	443,099	492,738
School administrative services	730,529	711,256	716,615	788,735	723,708	719,605	697,930	698,556	694,738	700,184
Central Services	152,275	203,633	220,658	213,703	247,120	276,994	293,745	278,135	306,616	277,905
Administration Information Technology	177,463	133,520	168,124	156,648	204,366	227,472	210,938	218,284	423,308	322,646
Plant operations and maintenance	1,665,843	1,888,532	1,675,563	1,707,951	2,138,123	2,007,460	1,905,574	2,374,984	2,231,672	1,986,859
Pupil transportation	941,203	885,027	716,220	871,880	824,498	940,393	694,953	717,482	724,253	860,345
Unallocated employee benefits	5,632,643	5,829,765	6,180,241	6,511,497	6,745,618	7,157,195	7,121,131	7,707,354	10,169,067	9,824,282
Charter schools				15,894	15,894	16,966			442,063	
Capital outlay	490,102	98,688	51,100	102,229	102,229	59,217	283,910			391,150
Debt service:										
Principal	980,000	980,000	965,000	950,000	915,000	895,000	815,000			
Interest and other charges	260,350	221,150	181,950	143,350	119,600	83,000	40,750			
Total Expenditures	22,224,277	22,821,024	22,715,398	23,031,201	23,947,334	24,958,363	25,445,242	25,901,073	30,220,866	29,167,588
Excess (Deficiency) of revenues over (under) expenditures	(187,905)	(338,377)	399,391	357,936	287,362	108,352	430,898	904,720	(922,404)	877,178
Other Financing Sources (Uses)										
Transfer out		(4,600)					(12,641)			
Prior year receivable canceled		(4,600)					(2,050)			
Total other financing sources (uses)										
Net change in fund balances	(187,905)	(342,977)	399,391	357,936	287,362	108,352	416,207	904,720	(922,404)	877,178
Debt service as a percentage of noncapital expenditures	5.71%	5.29%	5.06%	4.75%	4.34%	3.93%	3.40%	0%	0%	0%

Source: ACFR Schedule B-2

MANTUA TOWNSHIP SCHOOL DISTRICT
General Fund Other Local Revenue by Source,
Last Ten Fiscal Years
(Unaudited)

Exhibit J-5

<u>Fiscal Year Ended June 30,</u>	<u>Prior Year Refund</u>	<u>Rentals</u>	<u>Miscellaneous</u>	<u>Totals</u>
2014	\$ 47,548	\$ 17,895	\$ 431	\$ 65,874
2015	15,106	19,960	1,724	36,790
2016	33,433	30,765	1,824	66,022
2017	16,706	29,915	228	46,849
2018	72,051	28,725	97,220	197,996
2019	46,315	33,270	1,776	81,361
2020	14,900	18,700		33,600
2021	31,065		1,716	32,781
2022			4,113	4,113
2023	26,602		30,823	57,425

Source: District Records

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

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qlarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Total District School Tax Rate	County Equalized Value
2014	22,472,300	1,094,921,600	26,702,400	2,182,700	171,412,300	11,356,300	2,935,200	1,331,982,800	3,112,020	1,335,094,820	0.959	1,380,967,667
2015	24,093,800	1,098,246,900	25,239,000	1,606,900	169,010,200	11,086,200	2,935,200	1,332,218,200	2,453,312	1,334,671,512	0.973	1,370,664,830
2016	22,212,800	1,103,487,500	22,332,500	1,600,100	164,595,800	10,801,900	2,935,200	1,327,965,800	2,514,289	1,330,480,059	0.992	1,366,097,416
2017	19,704,800	1,100,198,000	23,317,800	1,645,700	163,360,300	10,709,000	2,933,400	1,321,869,000	2,504,124	1,324,373,124	1.012	1,351,418,338
2018	19,105,000	1,106,029,200	22,063,800	1,606,200	162,860,500	12,486,500	2,933,400	1,327,084,600	2,410,907	1,329,495,507	1.025	1,392,205,060
2019	17,473,800	1,112,002,400	21,827,300	1,590,800	163,465,900	12,486,500	2,933,400	1,331,780,100	2,404,926	1,334,185,026	1.038	1,417,984,277
2020	15,222,800	1,116,276,300	22,133,387	1,440,000	163,985,300	12,486,500	2,933,400	1,334,477,687		1,334,477,687	1.041	1,431,798,538
2021	15,743,800	1,129,713,700	22,225,087	1,480,000	163,083,500	12,486,500	2,933,400	1,347,665,987		1,347,665,987	1.047	1,460,301,680
2022	14,081,700	1,144,374,100	20,268,099	1,388,000	163,284,300	12,486,500	2,646,000	1,388,528,699		1,388,528,699	1.060	1,593,858,592
2023	13,351,600	1,154,209,900	21,335,000	1,386,300	168,713,700	12,486,500	2,646,000	1,374,129,000		1,374,129,000	1.079	1,937,500,314

Source: County Abstract of Ratables & Municipal Tax Assessor

Exhibit J-7

MANTUA TOWNSHIP SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years
(rate per \$100 of assessed value)

Fiscal Year Ended June 30,	School District		Overlapping Rates					Total Direct and Overlapping Tax Rate
	Basic Rate	Total Direct	Gloucester County	Regional School	Fire District	Municipal Local Purpose		
2014	\$ 0.959	\$ 0.959	\$ 0.668	\$ 0.722	\$ 0.059	\$ 0.616	\$ 3.024	
2015	0.973	0.973	0.681	0.753	0.067	0.636	3.110	
2016	0.992	0.992	0.724	0.770	0.072	0.660	3.218	
2017	1.012	1.012	0.732	0.792	0.079	0.684	3.299	
2018	1.025	1.025	0.754	0.777	0.082	0.699	3.337	
2019	1.038	1.038	0.775	0.793	0.084	0.869	3.559	
2020	1.041	1.041	0.784	0.801	0.096	0.715	3.437	
2021	1.047	1.047	0.806	0.812	0.097	0.734	3.496	
2022	1.040	1.060	0.809	0.820	0.099	0.736	3.524	
2023	1.079	1.079	0.789	0.793	0.101	0.736	3.498	

Source: Abstract of Ratables

MANTUA TOWNSHIP SCHOOL DISTRICT
Principal Property Tax Payers,
Current Year and Nine Years Ago

Exhibit J-8

Taxpayer	2023				2014			
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value		Taxable Assessed Value	Rank	% of Total District Net Assessed Value	
Target Corporation	15,683,400	1	1.15%		14,676,900	2	1.10%	
Lowes Home Center Inc.	14,944,200	2	1.10%					
HD Dev of MD Inc.	10,947,200	3	0.81%		11,302,900	4	0.85%	
Bellina Development Co. LP	9,987,900	4	0.74%		6,260,300	7	0.47%	
CH Realty IX	9,504,200	5	0.70%					
Wilkins Industrial Park LLC	9,012,000	6	0.66%		6,646,900	5	0.50%	
Route 553 Retail LLC	8,593,200	7	0.63%		21,337,600	1	1.60%	
Kohl's Department Stores Inc.	8,228,900	8	0.61%		11,675,900	3	0.87%	
Timberline Plaza LLC	7,886,400	9	0.58%		6,388,200	6	0.48%	
Campbells Auto Express Inc	6,518,200	10	0.48%		4,687,600	10	0.35%	
Spirit Master Funding					6,022,400	8	0.45%	
Freeza LLC					4,922,500	9	0.37%	
Totals	<u>\$ 101,305,600</u>		<u>7.46%</u>		<u>\$ 93,921,200</u>		<u>7.03%</u>	
	District Assessed Value		<u>\$ 1,358,528,699</u>				<u>\$ 1,335,094,820</u>	

Source: District ACFR & Municipal Tax Assessor

**MANTUA TOWNSHIP SCHOOL DISTRICT
Property Tax Levies and Collections,
Last Ten Fiscal Years**

Exhibit J-9

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	12,798,058	12,798,058	100%	
2015	12,983,358	12,983,358	100%	
2016	13,192,753	13,192,753	100%	
2017	13,405,132	13,405,132	100%	
2018	13,620,246	13,620,246	100%	
2019	13,841,847	13,841,847	100%	
2020	13,893,493	13,893,493	100%	
2021	14,097,633	14,097,633	100%	
2022	14,402,658	14,402,658	100%	
2023	14,822,690	14,822,690	100%	

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

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

Exhibit J-10

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income	Debt Per Capita
	General Obligation Bonds	Capital Leases	Bond Anticipation Notes (BANs)			
2014	\$ 5,520,000			\$ 5,520,000	0.77%	365
2015	4,540,000			4,540,000	0.61%	301
2016	3,575,000			3,575,000	0.47%	238
2017	2,625,000			2,625,000	0.33%	176
2018	1,710,000			1,710,000	0.21%	115
2019	815,000			815,000	0.10%	55
2020	-					
2021	-					
2022	-					
2023	-					

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

* = Per Capital Income data presented is for the entire County of Gloucester, not only the Township of Mantua.

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

Exhibit J-11

Fiscal Year Ended June 30,	Governmental Activities		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	* Per Capita
	General Obligation Bonds	Deductions			
2014	5,520,000	-	5,520,000	0.41%	365
2015	4,540,000	-	4,540,000	0.34%	301
2016	3,575,000	-	3,575,000	0.27%	238
2017	2,625,000	-	2,625,000	0.20%	176
2018	1,710,000	-	1,710,000	0.13%	115
2019	815,000	-	815,000	0.06%	55
2020	-	-	-	0.00%	-
2021	-	-	-	0.00%	-
2022	-	-	-	0.00%	n/a
2023	-	-	-	0.00%	n/a

Source: School District records; New Jersey Department of Labor and Workforce Development.

* = Per Capital Income data presented is for the entire County of Gloucester, not only the Township of Mantua.

MANTUA TOWNSHIP SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Bonded Debt,
As of December 31, 2022 for overlapping debt

Exhibit J-12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes			
Township of Mantua	\$ 9,488,000	100.00%	\$ 9,488,000
Other Debt			
County of Gloucester	151,050,000	7.09%	10,709,891
Subtotal, Overlapping Debt			20,197,891
Mantua Township School District Direct Debt			-
Total Direct and Overlapping Debt			\$ 20,197,891

Sources: Township of Mantua, County of Gloucester.

MANTUA TOWNSHIP SCHOOL DISTRICT
 Legal Debt Margin Information,
 Last Ten Fiscal Years

Exhibit J-13

Equalized valuation basis	
2022	\$ 1,918,370,794
2021	1,573,828,428
2020	1,488,640,215
	<u>\$ 4,980,839,437</u>

Average equalized valuation of taxable property \$ 1,660,279,812

Debt limit (2.5% of average)	41,506,995
Net bonded school debt	-
Legal debt margin	<u>\$ 41,506,995</u>

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt limit	\$ 35,095,275	\$ 34,457,202	\$ 34,123,518	\$ 34,261,543	\$ 34,534,985	\$ 35,150,186	\$ 35,664,058	\$ 36,330,684	\$ 37,554,602	\$ 41,506,995
Total net debt applicable to limit	5,520,000	4,540,000	3,575,000	2,625,000	1,710,000	815,000	-	-	-	-
Legal debt margin	\$ 29,575,275	\$ 29,917,202	\$ 30,548,518	\$ 31,636,543	\$ 32,824,985	\$ 34,335,186	\$ 35,664,058	\$ 36,330,684	\$ 37,554,602	\$ 41,506,995

Total net debt applicable to the limit as a percentage of debt limit	15.73%	13.18%	10.48%	7.66%	4.95%	2.32%	0.00%	0.00%	0.00%	0.00%
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Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey and District Records ACFR Schedule J-7

**MANTUA TOWNSHIP SCHOOL DISTRICT
Demographic and Economic Statistics,
Last Ten Fiscal Years**

Exhibit J-14

<u>Fiscal Year Ended June 30,</u>	<u>Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2014	15,111	716,352,066	47,406	7.2%
2015	15,073	747,952,406	49,622	6.3%
2016	14,992	761,413,696	50,788	5.5%
2017	14,949	788,245,821	52,729	5.0%
2018	14,914	814,990,444	54,646	4.8%
2019	14,851	844,323,903	56,853	3.9%
2020	14,877	898,362,522	60,386	10.3%
2021	15,464	967,319,592	62,553	5.1%
2022	15,396	n/a	n/a	3.4%
2023	n/a	n/a	n/a	n/a

Source: New Jersey Department of Labor and Workforce Development.
Income is for Gloucester County

MANTUA TOWNSHIP SCHOOL DISTRICT
Principal Employers,
Current Year and Nine Years Ago

Exhibit J-15

Employer	2023			2014		
	Employees	Rank	Percentage of Total Employment	Employees	Percentage of Total Employment	Percentage of Total Employment
Rowan University	3,500	1	2.17%	1,483	1.04%	1.04%
Washington Township School District	1,505	2	0.93%	1,598	1.12%	1.12%
Inspira Health	1,222	3	0.76%	1,825	1.28%	1.28%
County of Gloucester	1,200	4	0.74%	1,425	1.00%	1.00%
Monroe Township School District	902	5	0.56%	792	0.56%	0.56%
Walmart Turnersville	800	6	0.50%			
Jefferson Health	670	7	0.42%			
Aryzta LaBrea Bakery	500	8	0.31%	525	0.37%	0.37%
Keller Williams Realty	500	9	0.31%			
Honda of Turnersville	499	10	0.31%			
Kennedy Memorial Hospital				1,675	1.18%	1.18%
Missa Bay, LLC				950	0.67%	0.67%
US Foodservices				725	0.51%	0.51%
Exxon Mobil Research & Engineering				540	0.38%	0.38%
Totals	11,298		7.00%	11,538	5.95%	5.95%

Source: Information provided by the Gloucester County Office of Economic Development Directly.
 Note: The information is for the County of Gloucester, information at the municipal level is not readily available.

MANTUA TOWNSHIP SCHOOL DISTRICT
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years

Exhibit J-16

<u>Function/Program</u>	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Instruction:										
Regular instruction	93.0	101.0	95.0	109.0	96.0	95.0	99.0	100.0	99.0	92.0
Special education	35.0	32.0	33.0	36.0	35.0	26.0	31.0	27.0	29.0	37.0
Support Services:										
Student & instruction related services	17.0	17.0	18.0	19.0	18.0	19.0	22.0	22.0	23.0	76.0
General & business administrative services	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	5.0	3.0
School administrative services	11.0	12.0	12.0	11.0	10.0	10.0	10.0	10.0	10.0	8.0
Business & other support services	5.0	5.0	5.0	5.0	7.0	6.0	6.0	7.0	5.0	3.0
Plant operations and maintenance	18.0	18.0	18.0	18.0	19.0	19.0	19.0	19.0	19.0	16.0
Other support services	52.0	52.0	73.0	74.0	68.0	90.0	80.0	80.0	46.0	10.0
Food Service	12.0	12.0	12.0	13.0	12.0	11.0	13.0	13.0	13.0	13.0
Childcare	3.0	3.0	3.0	3.0	3.0	3.0	3.0	4.0	3.0	3.0
Total	250.0	256.0	273.0	292.0	272.0	283.0	287.0	286.0	252.0	258.0

Source: District Personnel Records

MANTUA TOWNSHIP SCHOOL DISTRICT
Operating Statistics,
Last Ten Fiscal Years

Exhibit J-17

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures	Cost per Pupil	% Change	Teaching Staff	Pupil/Teacher Ratio Elementary	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
2014	1,312.0	20,493,825	15,620	6.18%	128.0	1.10.46	1312.10	1262.00	-1.51%	96.18%
2015	1,270.0	21,521,186	16,946	8.49%	133.0	1.09.80	1269.60	1218.70	-3.24%	95.99%
2016	1,243.0	21,517,348	17,311	2.15%	128.0	1.09.89	1242.70	1192.00	-2.12%	95.92%
2017	1,274.0	21,937,851	17,220	-0.53%	145.0	1.08.79	1251.30	1197.50	0.69%	95.70%
2018	1,279.0	22,810,505	17,835	3.57%	131.0	1.09.89	1279.10	1213.40	2.22%	94.86%
2019	1,270.0	23,921,166	18,836	5.61%	121.0	1.10.70	1270.30	1205.80	-0.69%	94.92%
2020	1,271.0	24,305,582	19,123	1.53%	130.0	1.09.77	1270.90	1230.10	0.05%	96.79%
2021	1,227.0	25,901,073	21,109	10.39%	127.0	1.09.65	1227.30	1172.10	-3.43%	95.50%
2022	1,265.0	29,778,803	23,541	11.52%	127.0	1.09.65	1257.00	1174.20	2.42%	93.41%
2023	1,254.0	28,776,438	22,948	-2.52%	129.0	1.09.72	1476.00	1344.88	17.42%	91.12%

Source: District records, ASSA and Schedules J-12, J-14

MANTUA TOWNSHIP SCHOOL DISTRICT
School Building Information,
Last Ten Fiscal Years

Exhibit J-18

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>District Buildings</u>										
<u>Elementary</u>										
Centre City										
Square Feet	74,305	74,305	74,305	74,305	74,305	74,305	74,305	74,305	74,305	74,305
Capacity (students)	444	444	444	444	444	444	444	444	444	444
Enrollment	501	480	479	463	463	480	449	481	457	408
J. Mason Tomlin										
Square Feet	78,500	78,500	78,500	78,500	78,500	78,500	78,500	78,500	78,500	78,500
Capacity (students)	641	641	641	641	641	641	641	641	641	641
Enrollment	588	575	557	547	542	514	518	448	491	431
Sewell										
Square Feet	41,500	41,500	41,500	41,500	41,500	41,500	41,500	41,500	41,500	41,500
Capacity (students)	333	333	333	333	333	333	333	333	333	333
Enrollment	250	249	231	264	290	295	304	298	317	247

Number of Schools at June 30, 2023

Elementary -	3
Middle -	0
High -	0

Source: District Records, ASSA

MANTUA TOWNSHIP SCHOOL DISTRICT
General Fund
Schedule of Required Maintenance for School Facilities,
Last Ten Fiscal Years
(Unaudited)

Undistributed Expenditures - Required Maintenance for School Facilities

School Facilities	Gross Square Footage	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Centre City	74,305	88,466	114,301	53,132	81,306	107,372	36,589	186,131	102,171	113,564	132,258
J. Mason Tomlin	78,500	83,555	110,212	75,271	100,852	272,964	94,420	66,919	581,135	119,784	81,908
WCK Walls School (1926)	41,500	58,563	133,638	54,430	63,136	202,861	160,444	67,975	85,673	198,163	53,197
Administration		18,793	26,887	18,689	14,249	8,450	11,673	6,608	14,934	20,819	17,731
		<u>249,377</u>	<u>385,038</u>	<u>201,522</u>	<u>259,543</u>	<u>591,647</u>	<u>303,126</u>	<u>327,633</u>	<u>783,913</u>	<u>452,330</u>	<u>285,094</u>

Source: District Records

MANTUA TOWNSHIP SCHOOL DISTRICT
Insurance Schedule
For the Fiscal Year Ended June 30, 2023
(Unaudited)

Exhibit J-20

<u>Company</u>	<u>Type of Coverage</u>	<u>Amount of Coverage</u>	<u>Deductible</u>
School Package Policy - Utica National Insurance Company			
	Property - blanket buildings & contents	82,991,814	
	Increased cost of construction	6,000,000	
	Commercial general liability		
	Personal and advertising - injury limit	10,000,000	
	Each occurrence limit	10,000,000	
Workers Compensation - Educational Risk Insurance			
	Bodily injury by Accident	3,000,000	
	Bodily injury by Disease	3,000,000	
Commercial Auto			
	Personal Injury Protection	250,000	
	Uninsured Motorist	1,000,000	
Public employees' faithful performance bonds -			
	The Ohio Casualty Insurance Company		
	Surety Bond Business Administrator	10,000	
	Surety Bond Board Secretary	225,000.00	

Source: District Records

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SINGLE AUDIT SECTION

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K-1

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

Honorable President and
Members of the Board of Education
Township of Mantua School District
County of Gloucester
State of New Jersey

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

Report on Internal Control over Financial Reporting

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

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

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

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

Purpose of this Report

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

Ford, Scott & Associates, L.L.C.

Ford, Scott & Associates, LLC.
Certified Public Accountants

Michael S. Garcia

Michael S. Garcia
Certified Public Accountant
Licensed Public School Accountant
No. 2080

November 30, 2023



FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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K-2

Report on Compliance with for Each Major State Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards and State Financial Assistance required by *Uniform Administrative Requirements, Cost Principles, Audit Requirements for Federal Awards (Uniform Guidance)*, and New Jersey OMB's Circular 15-08

Honorable President and
Members of the Board of Education
Mantua Township School District
County of Gloucester, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal & State Program

We have audited the Mantua Township School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Mantua Township School District's major federal and state programs for the year ended June 30, 2023. The Mantua Township School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Mantua Township School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal & State Program

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and NJ OMB 15-08. Our responsibilities under those standards and the Uniform Guidance 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 Mantua Township School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the Mantua Township School District's compliance with the 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 its Federal and State programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Mantua Township School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and NJ 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 Mantua Township School District's compliance with the requirements of each major federal or state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, 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 Mantua Township School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Mantua Township School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and NJ OMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of City of Ocean City School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance or NJ OMB 15-08.

Report on Internal Control Over Compliance

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

material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. 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 have not been identified.

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

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

Ford, Scott & Associates, L.L.C.

Ford, Scott & Associates, LLC.

Certified Public Accountants

Michael S. Garcia

Michael S. Garica

Certified Public Accountant

Licensed Public School Accountant

No. 2080

November 30, 2023

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MANTUA TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
for the fiscal year ended June 30, 2023

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant Period	Award Amount	Balance at June 30, 2022 Accounts Receivable	Unearned Rev./ Due to Grantor	Carryover	Cash Received	Budgetary Expenditures		Adjustments	Unearned Revenue	Balance at June 30, 2023 (Accounts Receivable)	Due to Grantor
									Source Pass Through	Total				
U. S. Department of Agriculture														
Passed-through State Department of Education:														
Enterprise Fund:														
Food Distribution Program	10.555	2023NJ0304N089	7/1/22 - 6/30/23	69,962 \$	\$	6,831 \$		69,962 \$	(69,962) \$					
Food Distribution Program	10.555	2022NJ0304N089	7/1/21 - 6/30/22	57,564				(6,831)	(6,831)					
School Breakfast Program	10.553	2023NJ0304N089	7/1/22 - 6/30/23	28,505				27,871	(29,505)				(1,634)	
School Breakfast Program	10.553	2022NJ0304N089	7/1/21 - 6/30/22	132,572	(11,473)			11,473	(29,505)					
National School Lunch Program	10.555	2023NJ0304N089	7/1/22 - 6/30/23	164,189	(35,245)			154,477	(164,189)				(9,712)	
National School Lunch Program	10.555	2022NJ0304N089	7/1/21 - 6/30/22	508,323				35,245	(70,888)					
COVID-19 - Supply Chain	10.555	2023NJ0304N089	7/1/22 - 6/30/23	70,888		6,831		70,888	(70,888)					
Total Child Nutrition Cluster					(46,718)			369,916	(341,375)					(11,346)
Child Nutrition Discretionary Grant	10.579	211NJ0548103	7/1/22 - 6/30/23	20,000				20,000	(20,000)					
Total Enterprise Fund					(46,718)	6,831		389,916	(361,375)					(11,346)
U.S. Department of Health and Human Services														
Passed-through State Department of Health and Human Services														
Medical Assistance (SEMI)	93.778	2205NJMAP	7/1/22 - 6/30/23	91,682				91,682	(91,682)					
COVID-19 Medical Assistance (SEMI)	93.778	2205NJMAP	7/1/22 - 6/30/23	2,505				2,505	(2,505)					
Total General Fund								94,187	(94,187)					
U.S. Department of Education														
Passed-through State Department of Education:														
Special Revenue Fund:														
Title I, Part A	84.010A	S010A220030	7/1/22 - 9/30/23	212,111	(7,197)			121,184	(208,532)					(87,348)
Title I, Part A	84.010A	S010A210030	7/1/21 - 9/30/22	70,421				7,197						
Total Title I					(7,197)			128,381	(208,532)					(87,348)
Title II A	84.367A	S367A20029	7/1/22 - 9/30/23	33,792	(16,762)			12,391	(7,585)					(7,585)
Title II A	84.367A	S367A210029	7/1/21 - 9/30/22	39,668										(4,371)
Total Title II					(16,762)			12,391	(7,585)					(11,956)
Title III	84.424A	S365A220030	7/1/22 - 9/30/23	1,764				7	(1,370)					(1,363)
Title III	84.424A	S365A210030	7/1/21 - 9/30/22	2,220				(7)						
Total Title III								7	(1,370)					(1,363)
Total Special Education Cluster														
					(213,937)			456,020	(412,950)					(170,867)
CARES - Emergency Relief	84.425D	S425D200027	3/1/20 - 9/30/22	120,250	(137)			137						
CRRSA - ESSER II	84.425D	S425D210027	3/1/20 - 9/30/23	376,601	(98,471)			98,472	(80,643)					(80,642)
CRRSA - Learning Acceleration	84.425D	S425D210027	3/1/20 - 9/30/23	25,000	(2,819)			10,000	(7,181)					
CRRSA - Mental Health	84.425D	S425D210027	3/1/20 - 9/30/23	44,999	(3,524)			4,060	(34,510)					(33,974)
ARP - ESSER	84.425U	S425U210027	3/1/20 - 9/30/24	850,882	(515,699)			419,654	(115,144)					(210,989)
ARP - Accelerated Learning (Instruction)	84.425U	S425U210027	3/1/20 - 9/30/24	101,719	(97,270)			97,270						
ARP - Evidence Based Summer Learning	84.425U	S425U210027	3/1/20 - 9/30/24	40,000	(2,061)			18,337	(17,931)					(1,655)
ARP - Beyond the School Day (Afterschool)	84.425U	S425U210027	3/1/20 - 9/30/24	40,000				4,247	(15,716)					(11,469)
ARP - NJTSS Mental Health	84.425U	S425U210027	3/1/20 - 9/30/24	46,000										
ARP - Homeless	84.425W	S425W210031	4/23/21 - 9/30/24	46,000										
Total CARES Cluster					(719,981)			652,377	(271,125)					(338,729)
COVID-19 Digital Divide														
	21.019	S425D200027	7/1/20 - 10/31/20			178								178
Total Special Revenue Fund														
					(957,877)	185		1,249,169	(901,562)					(610,263)
Total Federal Financial Assistance														
					(1,004,595)	7,016		1,733,272	(1,357,124)					(621,609)

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

MANTUA TOWNSHIP SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2023

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2022		Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments / Repayment of Prior Years' Balances	Balance at June 30, 2023		MEMO	
			From	To	Deferred Revenue (Accounts Receivable)	Due to Grantor					(Accounts Receivable)	Deferred Revenue/	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education														
General Fund:														
State Aid Public Cluster:														
Special Education Aid	23-495-034-5121-089	731,840	7/1/2022	6/30/2023	\$	\$	731,840	(731,840)				\$	71,658	\$ 731,840
Security Aid	23-495-034-5121-084	24,998	7/1/2022	6/30/2023			24,998	(24,998)					2,448	24,998
Equalization Aid	23-495-034-5120-078	4,717,788	7/1/2022	6/30/2023			4,717,788	(4,717,788)					464,880	4,717,788
Supplemental Stabilization Aid	23-495-034-5121-494	372,466	7/1/2022	6/30/2023			372,466	(372,466)						372,466
Total State Aid Public Cluster														
Transportation Aid	23-495-034-5121-014	92,254	7/1/2022	6/30/2023			92,254	(92,254)					9,033	92,254
Non-public Transportation Aid	22-495-034-5120-014	18,096	7/1/2022	6/30/2023				(18,096)						18,096
Non-public Transportation Aid	22-495-034-5120-014	15,660	7/1/2022	6/30/2022			15,660							15,660
Securing Our Children's Future Bond Act	n/a	60,524	7/1/2021	6/30/2022			60,524							
Extraordinary Aid	23-100-034-5120-044	94,363	7/1/2021	6/30/2022				(94,363)						94,363
Extraordinary Aid	23-100-034-5120-044	103,461	7/1/2021	6/30/2022			103,461							103,461
On-Behalf TPAF Pension	23-495-034-5094-002	3,773,723	7/1/2022	6/30/2023			3,773,723	(3,773,723)						3,773,723
On-Behalf TPAF Post-Retirement	23-495-034-5094-001	991,348	7/1/2022	6/30/2023			991,348	(991,348)						991,348
On-Behalf TPAF LTD	23-495-034-5094-004	1,873	7/1/2022	6/30/2023			1,873	(1,873)						1,873
Reimbursed TPAF Social Security	23-495-034-5094-003	757,022	7/1/2022	6/30/2023			681,197	(757,022)						757,022
Reimbursed TPAF Social Security	22-495-034-5094-003	775,201	7/1/2021	6/30/2022			39,172							775,201
Total General Fund														
Special Revenue Fund:														
Preschool Education Aid	23-495-034-5121-086	1,756,170	7/1/2022	6/30/2023			1,756,170	(1,950,949)				842,221	175,617	1,950,949
Preschool Education Aid	22-495-034-5121-086	1,723,150	7/1/2021	6/30/2022										607,531
SDA Emergent Needs	23-100-034-5120-086	29,320	7/1/2022	6/30/2023			29,320							29,320
SDA Emergent Needs	22-100-034-5120-086	25,913	7/1/2021	6/30/2022				500						500
NJ Nonpublic Aid:														
Textbook Aid	23-100-034-5120-064	18,414	7/1/2022	6/30/2023			18,414	(18,180)						18,414
Textbook Aid	22-100-034-5120-064	12,124	7/1/2021	6/30/2022										11,729
Nursing	23-100-034-5120-070	31,248	7/1/2022	6/30/2023		395	31,248	(31,248)						31,248
Technology Aid	23-100-034-5120-373	11,718	7/1/2021	6/30/2022			11,718	(11,484)						11,484
Technology Aid	23-100-034-5120-373	8,484	7/1/2021	6/30/2022										8,155
Security Aid	23-100-034-5120-509	92,455	7/1/2022	6/30/2023			92,455	(86,914)						86,914
Security Aid	22-100-034-5120-509	63,525	7/1/2021	6/30/2022			7,589							55,936
Handicapped Services - Chapter 193														
Supplemental Instruction	23-100-034-5120-066	14,703	7/1/2022	6/30/2023			14,703	(13,712)						14,703
Supplemental Instruction	22-100-034-5120-066	9,912	7/1/2021	6/30/2022				(496)						9,416
Speech	23-100-034-5120-066	46,779	7/1/2022	6/30/2023			46,779	(46,407)						46,779
Speech	22-100-034-5120-066	41,943	7/1/2021	6/30/2022				(837)						41,106
Examination & Classification	23-100-034-5120-066	29,765	7/1/2022	6/30/2023			29,765	(29,765)						29,765
Examination & Classification	22-100-034-5120-066	23,506	7/1/2021	6/30/2022										23,126
Auxiliary Services Aid - Chapter 192														
Compensatory Education	23-100-034-5120-067	68,787	7/1/2022	6/30/2023			68,787	(67,007)						68,787
Transportation	23-100-034-5120-067	5,722	7/1/2022	6/30/2023			5,722	(5,491)						5,722
Transportation	22-100-034-5120-067	3,703	7/1/2021	6/30/2022										3,456
Total Special Revenue Fund														
Total State Financial Assistance														
State Department of Agriculture:														
Enterprise Fund:														
State School Lunch Program	23-100-010-3350-023	6,975	7/1/2022	6/30/2023			6,564	(6,975)						6,975
State School Lunch Program	22-100-010-3350-023	2,616	7/1/2021	6/30/2022			811	(2,616)						1,915
State School Breakfast Program	23-100-010-3350-023	2,616	7/1/2022	6/30/2023			2,480	(2,616)						2,616
Total Enterprise Fund							9,855	(9,591)						21,506
Total State Financial Assistance														
\$ 896,491 \$ 10,273 \$ 13,751,242 \$ (13,876,521) \$ (10,273) \$ 950,660 \$ 9,383 \$ 723,636 \$ 15,572,234 Less: On-Behalf TPAF Pension (991,348) Less: On-Behalf TPAF Post-Retirement (1,873) Less: On-Behalf TPAF LTD (4,766,944) Total State Financial Assistance (9,109,577)														

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

**MANTUA TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES 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, Mantua 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 schedule 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 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Uniform Guidance and NJ 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 School District has elected not to use the 10% de minimis indirect cost rate.

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 last state aid payment in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last two 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 last state aid payment 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 \$9,762 for the general fund and (\$256) for the special revenue fund. See the Notes to the Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented on the following page:

	Federal	State	On-Behalf Contributions	Total
General Fund	\$ 94,187	11,615,535	(5,523,966)	6,185,756
Special Revenue Fund	1,059,051	2,101,196		3,160,247
Food Service Fund	354,544	9,591		364,135
Total Financial Assistance	\$ 1,507,782	13,726,322	(5,523,966)	9,710,138

The On-Behalf Pension Contributions made for the District by the State of New Jersey are recognized as revenue in the basic financial statements but are not considered in the major program determination.

**MANTUA TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2023
(CONTINUED)**

Note 4: Relationship to Federal and State Financial Reports

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

Note 5: Other

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the 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.

**MANTUA TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 2023**

Exhibit K-6

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued:	An Unmodified Opinion was issued on the Basic Financial Statements, dated November 30, 2023
Internal control over financial reporting:	
1) Material weakness identified?	No
2) Significant deficiencies identified?	None reported
Noncompliance material to basic financial statements noted?	No

Federal Awards

Internal control over major programs:	
1) Material weakness identified?	No
2) Significant deficiencies identified?	None reported
Type of auditor’s report issued on compliance for major programs:	An Unmodified Opinion was issued on the Basic Financial Statements, dated November 30, 2023
Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Uniform Guidance?	No

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027	Special Education Cluster:
84.173	IDEA Part B
	IDEA Preschool

Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

**MANTUA TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 2023
(CONTINUED)**

Exhibit K-6

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?	Yes
Type of auditor’s report issued on compliance for major programs:	An Unmodified Opinion was issued on compliance for major programs, dated November 30, 2023
Internal Control over major programs:	
1) Material weaknesses identified?	No
2) Significant deficiencies identified?	None reported
Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 15-08?	No

Identification of major programs:

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

Section II - Financial Statement Findings

In accordance with Government Auditing Standards, our audit disclosed no findings relating to the financial statements that are required to be reported under this section.

None

**MANTUA TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 2023
(CONTINUED)**

Exhibit K-6

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

FEDERAL AWARDS

Our audit disclosed no matters to be reported.

STATE AWARDS

Our audit disclosed no matters to be reported.

Exhibit K-7

STATUS OF PRIOR YEAR FINDINGS

Financial Statement Findings:

No matters were reported.

Federal:

No matters were reported.

State:

No matters were reports.