

**SCHOOL DISTRICT**  
**OF**  
**MANSFIELD TOWNSHIP**

**Mansfield Township School District**  
**Board of Education**  
**Port Murray, Warren County**  
**New Jersey**

**Annual Comprehensive Financial Report**  
**For The Fiscal Year Ended June 30, 2024**

# **Annual Comprehensive**

## **Financial Report**

**of the**

**Mansfield Township School District**

**Board of Education**

**Port Murray, New Jersey**

**For the Fiscal Year Ending June 30, 2024**

**Prepared by**

**Mansfield Township School District**

**Board of Education**

**Finance Department**

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## **Introductory Section**

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February 7, 2025

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

Dear Board Members:

The annual comprehensive financial report of the Mansfield Township School District (District) for the fiscal year ending June 30, 2024, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the Management of the District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The annual comprehensive financial report is presented in four sections: Introduction, Financial, Statistical and Single Audit. The Introduction section includes this transmittal letter, the District's organizational chart and a list of principal officials. The Financial section includes the general-purpose financial statements and schedules, as well as the auditor's report thereon. The Statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Treasury Circular Letter 15-08 OMB, *Single Audit Policy for Recipients of Federal Grants*, State Grants and State Aid payments. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and

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regulations and findings and recommendations, are included in the Single Audit section of this report.

1) **REPORTING ENTITY AND ITS SERVICES:** Mansfield Township School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by Statement No. 14. All funds and account groups of the District are included in this report. The Mansfield Township Board of Education and its school constitute the District's reporting entity. The District provides a full range of educational services appropriate to grade levels Pre-K through 6. These include general education and special education for all students. The District completed the 2023-24 fiscal year with an enrollment of 580 students, which is equal to the previous year's enrollment. The following details the changes in the student enrollment of the District over the last ten years.

#### **AVERAGE DAILY ENROLLMENT**

<b>Fiscal Year</b>	<b>Student Enrollment</b>	<b>Percent Change</b>
2023-24	580.7	5.29%
2022-23	550.0	-0.35%
2021-22	551.9	3.64%
2020-21	531.8	-10.83%
2019-20	589.4	-4.00%
2018-19	613.0	-3.30%
2017-18	633.2	-1.61%
2016-17	643.4	-6.09%
2015-16	682.6	-3.37%
2014-15	705.6	0.35%

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

3) **MAJOR INITIATIVES:** Mansfield Township School District believes that all disciplines of the Academics and Arts are important to the development of well-educated students. To this end, all

Mansfield students in grades K-6 receive rigorous academic offerings that include the use of hands-on science and interactive technology.

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

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

The major initiatives in technology for the 2023-24 school year included purchasing additional security cameras. The district continues to utilize E-rate funding to support technology contracts.

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

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

4) INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that:

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

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

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

5) **BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund and the special revenue fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line-item basis. Open encumbrances at year-end are either canceled or are included as re-appropriation of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance on June 30, 2024.

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

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

8) **CASH MANAGEMENT:** The investment policy of the District is guided in large part by state statute as detailed in the Notes to the Financial Statements, Notes 1 and 3. The district has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with

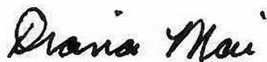
a failed banking institution in depositories located in New Jersey, where the funds are secured in accordance with the Act.

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

10) OTHER INFORMATION - INDEPENDENT AUDIT: State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ardito and Company, LLC was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and State Treasury OMB Circular Letter 15-08. The auditor's report on the general financial statements and combined and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

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

Respectfully submitted,

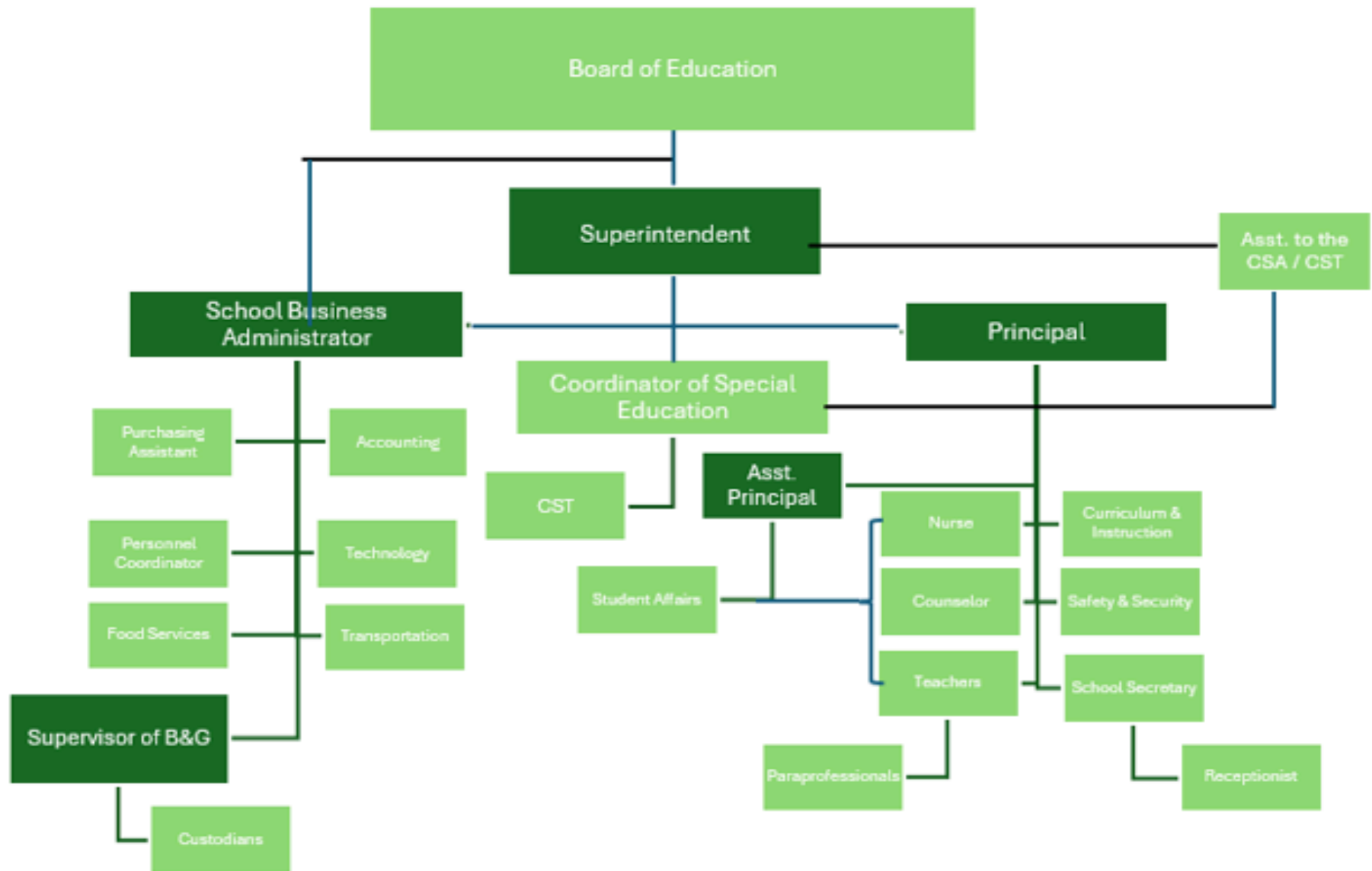


Diana Mai  
Superintendent



Kelly Morris  
Acting Business Administrator/Board Secretary

# Mansfield Township School District Organizational Chart



**MANSFIELD TOWNSHIP SCHOOL DISTRICT  
BOARD OF EDUCATION**

**ROSTER OF OFFICIALS**

**June 30, 2024**

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires</u></b>
Constance Quinn, President	2024
Linda Waters, Vice-President	2024
Judy Irwin	2026
Jonathan Lemp	2026
Alison Lorentson	2025
Diane Margolin	2024
Jonathan Rood	2025
Jennifer Rosenblum	2026
James Winand	2025

**Other Officials**

Dr. Gary McCartney, Interim Superintendent

Paul DeAngelo, Board Secretary/School Business Administrator

**MANSFIELD TOWNSHIP SCHOOL DISTRICT  
BOARD OF EDUCATION**

**CONSULTANTS AND ADVISORS**

**ATTORNEYS**

Jonathan M. Busch, Esq.  
**Busch Law Group LLC**  
450 Main Street  
Metuchen, NJ 08840

**AUDIT FIRM**

**Ardito & Company LLC**  
1110 Harrison Street, Suite C  
Frenchtown, New Jersey 08825

**OFFICIAL DEPOSITORY**

**Fulton Bank of New Jersey**  
148 Mountain Avenue  
Hackettstown, NJ 07840

## **Financial Section**



# **Independent Auditor's Report**



# ARDITO & COMPANY LLC

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Frenchtown, New Jersey 08825-1192  
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Anthony Ardito, CPA, RMA, CMFO, PSA

## **Independent Auditor's Report**

The Honorable President and  
Members of the Board of Education  
Mansfield Township School District  
County of Warren  
Port Murray, New Jersey 07865

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the government activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Mansfield Township School District Board of Education, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 Mansfield Township School District Board of Education, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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 the Financial Statements section of our report. We are required to be independent of the Mansfield Township School District Board of Education, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

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

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

-Continued-

### ***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 error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

### ***Required Supplementary Information***

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Mansfield Township School District Board of Education's basic financial statements. The combining and individual non-

-Continued-

major fund financial statements, long-term debt schedules, and the schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and New Jersey OMB's Circulars 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, 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, long-term debt schedules, and the schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

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

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

### ***Other Reporting Required by Government Auditing Standards***

In accordance with ***Government Auditing Standards***, we have also issued our report dated February 7, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with ***Government Auditing Standards*** the District's internal control over financial reporting and compliance.

*Ardito & Company LLC*

**ARDITO & COMPANY LLC**

Frenchtown, New Jersey

February 7, 2025

*Anthony Ardito*

Anthony Ardito

Certified Public Accountant

Licensed Public School Accountant No. 2369

**ARDITO & COMPANY LLC**

Frenchtown, New Jersey

February 7, 2025

## **Required Supplementary Information - Part I**

### **Management's Discussion and Analysis**

MANSFIELD TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
UNAUDITED

The discussion and analysis of Mansfield Township School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2024. 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 notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

**Financial Highlights**

Key financial highlights for 2024 are as follows:

- ◆ In total, Net Position decreased \$629,746 which represents a 14.9% decrease from 2023.
- ◆ General revenues accounted for \$6,788,348 in revenue or 49.7% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$6,870,401 or 50.3% of total revenues of \$13,658,749.
- ◆ Total assets of governmental activities decreased by \$692,624, as cash and cash equivalents increased by \$230,543, receivables decreased by \$493,935, and capital assets decreased by \$433,132.
- ◆ The School District had \$14,288,495 in expenses; only \$6,870,401 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$6,788,348 were available to provide for these programs.
- ◆ Among major funds, the General Fund had \$13,518,435 in revenues and \$14,100,296 in expenditures. The General Fund's surplus balance decreased \$576,760 over 2023, which compares favorably to the budgeted decrease of \$750,695.

**Using this Generally Accepted Accounting Principals Report (GAAP)**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Mansfield 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 Mansfield Township School District, the General Fund is by far the most significant fund.

MANSFIELD TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
UNAUDITED

**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 2024?” 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 companies. 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 positions of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, and some not. Nonfinancial 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 enterprise fund is reported as a business activity.

**Reporting the School District’s Most Significant Funds**

**Fund Financial Statements**

The analysis of the School District’s major funds begins on page 23. Fund financial reports provide detailed information about the School District’s major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District’s most significant funds. The School District’s major governmental funds are the General Fund, Special Revenue Fund, and Capital Projects Fund.

MANSFIELD TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
UNAUDITED

**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 you 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.

**The School District as a Whole**

Recall that the Statement of Net Position provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District's Net Position for 2024 compared to 2023.

	<u>2024</u>	<u>2023</u>
<b>Assets</b>		
Current and Other Assets	\$ 1,970,406	\$ 2,229,898
Capital Assets	<u>8,498,961</u>	<u>8,932,093</u>
<b>Total Assets</b>	<u>10,469,367</u>	<u>11,161,991</u>
 <b>Deferred Outflows of Resources</b>	 <u>443,998</u>	 <u>422,437</u>
 <b>Liabilities</b>		
Long-Term Liabilities	4,298,240	4,568,340
Other Liabilities	<u>2,885,160</u>	<u>2,499,454</u>
<b>Total Liabilities</b>	<u>7,183,400</u>	<u>7,067,794</u>
 <b>Deferred Inflows of Resources</b>	 <u>125,624</u>	 <u>282,547</u>
 <b>Net Position</b>		
Invested in Capital Assets, Net of Debt	4,273,961	4,382,093
Restricted	882,978	1,259,597
Unrestricted	<u>(1,552,598)</u>	<u>(1,407,603)</u>
<b>Total Net Position</b>	<u><u>\$ 3,604,341</u></u>	<u><u>\$ 4,234,087</u></u>



MANSFIELD TOWNSHIP SCHOOL DISTRICT

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Total assets of governmental activities decreased by \$692,624, as cash and cash equivalents increased by \$230,543, receivables decreased by \$493,935, and capital assets decreased by \$433,132.

The cash increase was mainly due to collection of prior year federal award receivables. Receivables decreased due to federal COVID grants collected but expended in the prior year and receivable write-offs of \$167,163, and the decrease in capital assets was due to depreciation expense, net of additions.

Table 2 shows the changes in Net Position from fiscal year 2023.

**Table 2**  
**Changes in Net Position**

	<u>2024</u>	<u>2023</u>
<b>Revenues</b>		
Program Revenues:		
Charges for Services	\$ 354,392	\$ 573,467
Operating Grants and Contributions	6,516,009	9,862,667
General Revenues:		
Property Taxes	6,506,464	6,381,138
Investment Earnings	22,174	2,877
Other	259,710	131,533
<b>Total Revenues</b>	<u>13,658,749</u>	<u>16,951,682</u>
<b>Program Expenses</b>		
Instruction	7,818,500	10,565,118
Support Services:		
Tuition	14,388	51,418
Pupils and Instructional Staff	2,340,667	2,971,198
General Administration, School Administration, Business	1,128,193	1,217,477
Operations and Maintenance of Facilities	875,016	556,038
Pupil Transportation	951,981	845,712
Business-Type Activities	474,071	577,742
Interest and Fiscal Charges	685,679	152,295
<b>Total Expenses</b>	<u>14,288,495</u>	<u>16,936,998</u>
 Increase in Net Position	 <u>\$ (629,746)</u>	 <u>\$ 14,684</u>

MANSFIELD TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
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**Governmental Activities**

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. Property taxes made up 47.6% percent of revenues for governmental activities for the Mansfield Township School District for the fiscal year 2024.

Instruction comprises 54.7% of district expenses. Support services expenses make up 37.2% of the expenses.

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 compared to 2023. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

**Table 3**

	<u>Total Cost of Services 2024</u>	<u>Net Cost of Services 2024</u>	<u>Total Cost of Services 2023</u>	<u>Net Cost of Services 2023</u>
Instruction	\$ 7,818,500	\$ 4,232,953	10,565,118	\$1,533,198
Support Services:				
Tuition	14,388	8,260	51,418	51,418
Pupils and Instructional Staff	2,340,667	964,552	2,971,198	2,382,440
General Admin., School Admin., Business	1,128,193	647,700	1,217,477	1,217,477
Operation and Maintenance of Facilities	875,016	502,350	556,038	556,038
Pupil Transportation	951,981	546,536	845,712	615,488
Business-Type Activities	474,071	3,890	577,742	(7,490)
Interest and Fiscal Charges	<u>685,679</u>	<u>511,853</u>	<u>152,295</u>	<u>152,295</u>
<b>Total Expenses</b>	<u>\$ 14,288,495</u>	<u>\$ 7,418,094</u>	<u>\$ 16,936,998</u>	<u>\$ 6,500,864</u>

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

Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students.

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

Operation and maintenance of facilities activities 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.

Business-type activities includes expenses related to activities provided by the School District which are designed to provide for students to participate in food service.

MANSFIELD TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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Interest and fiscal charges involve the transactions associated with the payment of interest and other related charges to debt of the School District and unallocated depreciation.

The dependence upon tax revenues is apparent. Over 54.1% of instruction activities are supported through taxes and other general revenues; for all activities general revenue support is 50.3%. The community, as a whole, is the primary support for the Mansfield Township School District.

**The School District's Funds**

Information about the School District's major funds starts on page 24. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues and other sources of \$14,574,520 and expenditures of \$15,155,874. The General Fund's surplus balance decreased \$576,760 over 2023, which compares favorably to the budgeted decrease of \$750,695.

**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.

During the course of the fiscal 2024 year, the School District amended its General Fund budget as needed. The School District uses program based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management.

For the General Fund, budget basis revenue and other financing sources, excluding on-behalf payments, was \$10,467,058, \$364,698 over original budgeted estimates of \$10,102,360. This difference was due primarily to a legal settlement for \$338,000 and increases in state homeless aid, net of shortfalls in tuition revenue.

General fund revenues fell short of expenditures by \$595,590. Again this deficit compares to a budgeted deficit of \$750,695, despite budget over-expenditures of \$298,309.

Overall general fund balance (budget basis) was \$1,208,240, and amounts ear-marked and reserved for future purposes were \$891,489, creating a surplus in unreserved fund balance of \$316,751. Management believes unreserved fund balance at statutory levels will provide adequate working capital for the district.

MANSFIELD TOWNSHIP SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
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**Capital Assets**

At the end of the fiscal year 2024, the School District had \$8,486,891 invested in land, buildings, furniture and equipment, and vehicles. Table 4 shows fiscal 2024 balances compared to 2023.

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

	<u>2024</u>	<u>2023</u>
Land	\$ 26,344	\$ 26,344
Land Improvements	174,109	186,380
Buildings and Improvements	7,970,490	8,309,753
Machinery and Equipment	<u>315,948</u>	<u>395,083</u>
Totals	<u>\$ 8,486,891</u>	<u>\$ 8,917,560</u>

Overall governmental fund capital assets decreased \$430,669 from fiscal year 2023 to fiscal year 2024. The decrease in capital assets was due to depreciation expense for the year, net of capital additions.

Capital improvements of \$160,955 were purchased during fiscal year 2024 and included music room carpet and toilet room projects.

**Debt Administration**

At June 30, 2024, the School District had \$4,639,068 as outstanding long term debt. Of this amount, \$4,225,000 is for bonds payable, \$355,788 is for compensated absences, and \$58,280 is for unamortized bond premiums received.

At June 30, 2024, the School District's overall legal debt margin was \$17,990,228 and the unvoted debt margin was the same.

**For the Future**

The Mansfield Township School District is in fair financial condition presently. A major concern is heavy reliance on local property taxes to fund the school's operations and continued use of surplus and reserve balances to fund budgeted operations..

In conclusion, the Mansfield Township School District has committed itself to financial excellence and to improve the district's system for financial planning, budgeting, and internal financial controls. The School District plans sound fiscal management to meet the challenges of the future.

MANSFIELD TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
UNAUDITED

**Contacting the School District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information contact the School Business Administrator/Board Secretary at Mansfield Township School District, 50 Port Murray Road, Port Murray, NJ 07865.

## **Basic Financial Statements**

## **DISTRICT-WIDE FINANCIAL STATEMENTS**

The statement of net position and the statement of activities display information about the District. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

## MANSFIELD TOWNSHIP SCHOOL DISTRICT

Exhibit A-1

## STATEMENT OF NET POSITION

June 30, 2024

	GOVERNMENTAL BUSINESS-TYPE		
	<u>ACTIVITIES</u>	<u>ACTIVITIES</u>	<u>TOTAL</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 1,222,742	\$ 94,320	\$ 1,317,062
Receivables, Net	294,813	2,978	297,791
Interfund Receivable		349,547	349,547
Inventory		6,006	6,006
Capital Assets, Net (Note 6):	8,486,891	12,070	8,498,961
<b>Total Assets</b>	<b>10,004,446</b>	<b>464,921</b>	<b>10,469,367</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension Deferred Outflows	443,998	-	443,998
<b>LIABILITIES</b>			
Accounts Payable	187,416	40,203	227,619
Payroll Deductions and Withholdings Payable	16,816		16,816
Unemployment Compensation Claims Payable	21,824		21,824
Interfund Payable	348,933	614	349,547
Accrued Interest	61,073		61,073
Unearned Revenue	84,183	2,081	86,264
Net Pension Liability (Note 8)	1,781,189		1,781,189
Noncurrent Liabilities (Note 7):			
Due Within One Year	340,828		340,828
Due Beyond One Year	4,298,240		4,298,240
<b>Total Liabilities</b>	<b>7,140,502</b>	<b>42,898</b>	<b>7,183,400</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension Deferred Inflows	125,624	-	125,624
<b>NET POSITION</b>			
Invested in Capital Assets, Net of Related Debt	4,261,891	12,070	4,273,961
Restricted for:			
Capital Reserve	320,657		320,657
Maintenance Reserve	301,240		301,240
Other	261,081		261,081
Unrestricted	(1,962,551)	409,953	(1,552,598)
<b>Total Net Position</b>	<b>\$ 3,182,318</b>	<b>\$ 422,023</b>	<b>\$ 3,604,341</b>

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



## MANSFIELD TOWNSHIP SCHOOL DISTRICT

Exhibit A-2

**STATEMENT OF ACTIVITIES**  
FOR THE YEAR ENDED JUNE 30, 2024

Functions/Programs	PROGRAM REVENUES				NET(EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:							
Instruction:							
Regular	\$ 5,331,761	\$ 42,000	\$ 2,484,454		\$ (2,805,307)		\$ (2,805,307)
Special Education	2,099,233		894,056		(1,205,177)		(1,205,177)
Other Special Instruction	387,506		165,037		(222,469)		(222,469)
Support Services:							
Tuition	14,388		6,128		(8,260)		(8,260)
Student & Instruction Related Services	2,340,667	50,505	1,325,610		(964,552)		(964,552)
School Administrative Services	333,051		141,845		(191,206)		(191,206)
General and Business Admin. Services	795,142		338,648		(456,494)		(456,494)
Plant Operations and Maintenance	875,016		372,666		(502,350)		(502,350)
Pupil Transportation	951,981		405,445		(546,536)		(546,536)
Unallocated Depreciation & Other Fiscal Items	685,679		173,826		(511,853)		(511,853)
Total Governmental Activities	13,814,424	92,505	6,307,715		(7,414,204)		(7,414,204)
Business-Type Activities:							
Child Care	166,329	139,255				\$ (27,074)	(27,074)
Food Service	307,742	122,632	208,294			23,184	23,184
Total Business-Type Activities	474,071	261,887	208,294	-	-	(3,890)	(3,890)
<b>Total Primary Government</b>	<b>\$ 14,288,495</b>	<b>\$ 354,392</b>	<b>\$ 6,516,009</b>		<b>\$ (7,414,204)</b>	<b>\$ (3,890)</b>	<b>\$ (7,418,094)</b>
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes,Net					\$ 6,217,164		\$ 6,217,164
Property Taxes, Levied for Debt Service					289,300		289,300
Investment Earnings					22,174		22,174
Miscellaneous Income					259,710		259,710
Total General Revenues, Special Items, Extraor. Items & Transfers					6,788,348	-	6,788,348
Change in Net Position					(625,856)	\$ (3,890)	(629,746)
Net Position—Beginning					3,808,174	425,913	4,234,087
Prior Period Adjustments					-	-	-
Net Position—Beginning (Restated)					3,808,174	425,913	4,234,087
<b>Net Position—Ending</b>					<b>\$ 3,182,318</b>	<b>\$ 422,023</b>	<b>\$ 3,604,341</b>

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

## **FUND FINANCIAL STATEMENTS**

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

## MANSFIELD TOWNSHIP SCHOOL DISTRICT

Exhibit B-1

BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2024

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 1,211,118	\$ 11,623	\$ 1	\$ 1,222,742
Interfund Receivable	358,672	283,525		642,197
Accounts Receivable	1,147	26,579		27,726
Receivables from Other Governments	238,927	28,160		267,087
<b>TOTAL ASSETS</b>	<b>\$ 1,809,864</b>	<b>\$ 349,887</b>	<b>\$ 1</b>	<b>\$ 2,159,752</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Interfund Payable	\$ 742,233	\$ 248,897		\$ 991,130
Accounts Payable	169,832	17,584		187,416
Payroll Deductions and Withholdings Payable	16,816			16,816
Unemployment Compensation Claims Payable	21,824			21,824
Unearned Revenue	12,400	71,783		84,183
<b>Total Liabilities</b>	<b>963,105</b>	<b>338,264</b>	<b>-</b>	<b>1,301,369</b>
<b>Fund Balances:</b>				
<u>Restricted for:</u>				
Capital Reserve Account	\$ 320,657			\$ 320,657
Maintenance Reserve	301,240			301,240
Excess Surplus	-			-
Unemployment Compensation	246,962			246,962
Student Activities		\$ 11,623		11,623
<u>Assigned to:</u>				
Year-End Encumbrances	20,134			20,134
Designated for Subsequent Year's Expenditures	2,496			2,496
<u>Unassigned:</u>				
General Fund - Undesignated	(44,730)			(44,730)
Debt Service Fund - Undesignated			\$ 1	1
<b>Total Fund Balances</b>	<b>846,759</b>	<b>11,623</b>	<b>1</b>	<b>858,383</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 1,809,864</b>	<b>\$ 349,887</b>	<b>\$ 1</b>	<b>\$ 2,159,752</b>

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 \$16,603,916 and the accumulated depreciation is \$8,117,025.

\$ 8,486,891

Deferred Outflows related to pension contributions subsequent to the Net Pension Liability measurement date and other deferred items are not current financial resources and therefore are not reported in the fund statements. (See Note 8)

443,998

Deferred Inflows related to pension actuarial gains from experience and differences in actual return and assumed returns and other deferred items are not reported as liabilities in the fund statements. (See Note 8)

(125,624)

Long-term liabilities, including Net Pension Liability, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 8)

(1,781,189)

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

(61,073)

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

(4,639,068)

Net Position of governmental activities

\$ 3,182,318

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

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
 FOR THE YEAR ENDED JUNE 30, 2024

	<b><u>General Fund</u></b>	<b><u>Special Revenue Fund</u></b>	<b><u>Capital Projects Fund</u></b>	<b><u>Debt Service Fund</u></b>	<b><u>Total Governmental Funds</u></b>
<b>REVENUES</b>					
<b>Local sources:</b>					
Local Tax Levy	\$ 6,217,164			\$ 289,300	\$ 6,506,464
Tuition	42,000				42,000
Miscellaneous	281,835	\$ 50,554			332,389
<b>Total - Local Sources</b>	<b>6,540,999</b>	<b>50,554</b>	<b>-</b>	<b>289,300</b>	<b>6,880,853</b>
<b>State Sources</b>	<b>6,951,629</b>	<b>13,993</b>		<b>173,826</b>	<b>7,139,448</b>
<b>Federal Sources</b>	<b>25,807</b>	<b>528,412</b>			<b>554,219</b>
<b>Total Revenues</b>	<b>13,518,435</b>	<b>592,959</b>	<b>-</b>	<b>463,126</b>	<b>14,574,520</b>
<b>EXPENDITURES</b>					
<b>Current:</b>					
Regular Instruction	3,410,693	263,723			3,674,416
Special Education Instruction	1,457,734				1,457,734
Other Special Instruction	269,089				269,089
Support services and undistributed costs:					
Tuition	9,991				9,991
Student and Instruction Related Services	1,296,660	328,729			1,625,389
School Administrative Services	228,657				228,657
Other Administrative Services	552,157				552,157
Plant Operations and Maintenance	563,552				563,552
Pupil Transportation	661,068				661,068
Unallocated Benefits	5,424,422				5,424,422
Transfer to Charter School	24,377				24,377
<b>Debt Service:</b>					
Principal				325,000	325,000
Interest and Other Charges				138,126	138,126
<b>Capital Outlay</b>	<b>201,896</b>				<b>201,896</b>
<b>Total Expenditures</b>	<b>14,100,296</b>	<b>592,452</b>	<b>-</b>	<b>463,126</b>	<b>15,155,874</b>
Excess (Deficiency) of Revenues Over Expenditures	(581,861)	507	-	-	(581,354)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers - Capital Projects Fund	5,101		\$ (5,101)		5,101
<b>Total Other Financing Sources and Uses</b>	<b>5,101</b>	<b>-</b>	<b>(5,101)</b>	<b>-</b>	<b>5,101</b>
Net Change in Fund Balances	(576,760)	507	(5,101)	-	(581,354)
Fund Balance—July 1	1,423,519	11,116	5,101	1	1,439,737
Prior Period Adjustment		-			-
Fund Balance—July 1 (Restated)	1,423,519	11,116	5,101	1	1,439,737
<b>Fund Balance—June 30</b>	<b>\$ 846,759</b>	<b>\$ 11,623</b>	<b>-</b>	<b>\$ 1</b>	<b>\$ 858,383</b>

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

MANSFIELD TOWNSHIP SCHOOL DISTRICT

Exhibit B-3

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2024**

**Total Net Change in Fund Balances - Governmental Funds (from B-2)** **\$ (581,354)**

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

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

Depreciation Expense	\$ (591,624)	
Capital Outlays	<u>160,955</u>	(430,669)

Pension contributions are reported in governmental funds as expenditures. However, in the statement of activities, the contributions are adjusted for actuarial valuation adjustments, including service and interest costs, administrative costs, investment returns, and experience/assumption.

This is the amount by which net pension liability and deferred inflows/outflows related to pension changed during the period. 83,288

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.

325,000

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. This is the amount by which current year's amount of interest accrual exceeds the prior year's amount.

4,469

Governmental Funds report the effect of premiums received on debt issuance when the debt is first issued, whereas these amounts are deferred and amortized in Statement of Activities

5,828

In the statement of activities, compensated absences is accrued regardless of when paid. In the governmental funds, compensated absences are reported when paid. This is the amount by which the current year's compensated absence payments exceed the current year's amount earned.

(32,418)

**Change in Net Position of Governmental Activities** **\$ (625,856)**

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

**STATEMENT OF PROPRIETARY NET POSITION  
PROPRIETARY FUNDS**

June 30, 2024

	Business-Type Activities- Enterprise Funds			
	Food Service	Before & After Child Care	Summer Recreation	Total Enterprise
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash and Cash Equivalents	\$ 30,592	\$ 60,111	\$ 3,617	\$ 94,320
Accounts Receivable	2,586	392		2,978
Inventories	6,006	-		6,006
Interfund Receivables	286,651	62,896		349,547
<b>Total Current Assets</b>	<b>325,835</b>	<b>123,399</b>	<b>3,617</b>	<b>452,851</b>
<b>Noncurrent Assets:</b>				
Furniture, Machinery and Equipment	65,187	-		65,187
Less Accumulated Depreciation	(53,117)	-		(53,117)
<b>Total Noncurrent Assets</b>	<b>12,070</b>	<b>-</b>	<b>-</b>	<b>12,070</b>
<b>Total Assets</b>	<b>337,905</b>	<b>123,399</b>	<b>3,617</b>	<b>464,921</b>
<b>LIABILITIES</b>				
<b>Current liabilities:</b>				
Interfund Payables	-	614		614
Accounts Payable	40,087	116		40,203
Deferred Revenue	2,081	-		2,081
<b>Total Current Liabilities</b>	<b>42,168</b>	<b>730</b>	<b>-</b>	<b>42,898</b>
<b>Total Liabilities</b>	<b>42,168</b>	<b>730</b>	<b>-</b>	<b>42,898</b>
<b>NET POSITION</b>				
Invested in Capital Assets Net of Related Debt	12,070	-	-	12,070
Unrestricted	283,667	122,669	3,617	409,953
<b>Total Net Position</b>	<b>\$ 295,737</b>	<b>\$ 122,669</b>	<b>\$ 3,617</b>	<b>\$ 422,023</b>

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

## MANSFIELD TOWNSHIP SCHOOL DISTRICT

Exhibit B-5

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	Business-type Activities- Enterprise Fund			
	Food Service	Before & After Child Care	Summer Recreation	Total Enterprise
<b>Operating Revenues:</b>				
Charges for Services:				
Daily Sales - Reimbursable Programs	\$ 76,219			\$ 76,219
Daily Sales - Non-Reimb. Programs	46,413			46,413
Program Fees	-	\$ 139,255		139,255
<b>Total Operating Revenues</b>	<b>122,632</b>	<b>139,255</b>		<b>261,887</b>
<b>Operating Expenses:</b>				
Cost of Sales - Reimbursable Programs	80,558			80,558
Cost of Sales - Non-reimbursable Programs	41,589			41,589
Salaries-Child Care	-	115,414		115,414
Salaries-Food Service	89,042			89,042
Salaries-Aides	28,524			28,524
Employee Benefits	28,925			28,925
Supplies & Repairs	33,977	43,521		77,498
Other Purchased Services	-			-
Miscellaneous	2,664	7,394		10,058
Depreciation	2,463			2,463
<b>Total Operating Expenses</b>	<b>307,742</b>	<b>166,329</b>		<b>474,071</b>
Operating Income (Loss)	(185,110)	(27,074)		(212,184)
<b>Nonoperating Revenues (Expenses):</b>				
State Sources:				
State School Lunch Program	15,506			15,506
Federal Sources:				
National School Lunch Program	131,704			131,704
National School Breakfast Program	27,671			27,671
Supply Chain Assistance	17,247			17,247
P-EBT Administrative Cost Reimbursement	653			653
Food Distribution Program	15,513			15,513
<b>Total Nonoperating Revenues (Expenses)</b>	<b>208,294</b>			<b>208,294</b>
Change in Net Position	23,184	(27,074)		(3,890)
Total Net Position—Beginning	272,553	149,743	3,617	425,913
<b>Total Net Position—Ending</b>	<b>\$ 295,737</b>	<b>\$ 122,669</b>	<b>\$ 3,617</b>	<b>\$ 422,023</b>

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

## MANSFIELD TOWNSHIP SCHOOL DISTRICT

Exhibit B-6

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS

For the Year Ended June 30, 2024

	Business-Type Activities- Enterprise Funds			
	Food Service	Before & After Child Care	Summer Recreation	Total Enterprise
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from Customers	\$ 122,632	\$ 139,255	-	\$ 261,887
Payments to Employees	(181,107)	(73,318)	-	(254,425)
Payments for Employee Benefits	(28,925)	-	-	(28,925)
Payments to Suppliers	(77,737)	(93,227)	-	(170,964)
<b>Net Cash Provided by (used for) Operating Activities</b>	<b>(165,137)</b>	<b>(27,290)</b>	<b>-</b>	<b>(192,427)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
State Sources	15,648	-	-	15,648
Federal Sources	181,983	-	-	181,983
Operating Transfers to Other Funds	(24,667)	(62,896)	-	(87,563)
<b>Net Cash Provided by (used for) Non-Capital Financing Activities</b>	<b>172,964</b>	<b>(62,896)</b>	<b>-</b>	<b>110,068</b>
Net Increase (Decrease) in Cash and Cash Equivalents	7,827	(90,186)	-	(82,359)
Balances—Beginning of Year	22,765	150,297	\$ 3,617	176,679
<b>Balances—End of Year</b>	<b>\$ 30,592</b>	<b>\$ 60,111</b>	<b>\$ 3,617</b>	<b>\$ 94,320</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (used) by Operating Activities:</b>				
Operating Income (Loss)	\$ (185,110)	\$ (27,074)	-	\$ (212,184)
Provided by (used for) Operating Activities:				
Depreciation and Net Amortization	2,463			2,463
Federal Commodities	15,513			15,513
(Increase) Decrease in Accounts Receivable	-	(332)		(332)
(Increase) Decrease in Inventories	(3,900)	-		(3,900)
Increase (Decrease) in Accounts Payable	5,897	116		6,013
Total Adjustments	19,973	(216)	-	19,757
<b>Net Cash Provided by (used for) Operating Activities</b>	<b>\$ (165,137)</b>	<b>\$ (27,290)</b>	<b>-</b>	<b>\$ (192,427)</b>

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



## **Notes to Financial Statements**

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Board of Education (Board) of the Mansfield 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. The more significant of the Board's accounting policies are described below.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments (Statement No.34). This Statement provided the most significant change in financial reporting in over twenty years and implementation was phased-in (based on amount of revenues) starting with fiscal years ending 2002 (for larger governments). The District was not required to implement the new model until the 2003-2004 school year.

In addition, the School District has implemented GASB Statement No.37, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus, Statement No.38, Certain Financial Statement Note Disclosures, Statement No.40, Deposit and Investment Risk Disclosures, an amendment of GASB Statement No.3, and Statement 44, Economic Condition Reporting: The Statistical Section (GASB 44), an amendment of NCGA Statement 1, Governmental Accounting and Financial Reporting Principles is found in the Introduction, a revised statistical section in the Outline of the ACFR, GASB Statement No. 45, Other Post-retirement Employee Benefits, GASB No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, and GASB No. 63 and 65, Deferred Outflows and Inflows and Net Position, and Items Previously Reported as Assets and Liabilities, GASB No. 68, Accounting for Pensions, an amendment of GASB No. 27, GASB No. 75, Accounting for OPEB, GASB 84, Fiduciary Activities, GASB 87, Leases, GASB 96, Subscriptions, GASB 98, Annual Comprehensive Financial Report, and GASB 100, Accounting Changes and Error Corrections. The implementation of these statements did not effect net position balances as previously reported for the fiscal year ended June 30, 2023.

**A. Reporting Entity:**

The Mansfield Township School District is a Type II district located in the County of Warren, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The purpose of the district is to educate students in grades K-8. The Mansfield Township School District had an approximate enrollment at June 30, 2024, of 585 students.

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

- 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.

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Presentation, Basis of Accounting:**

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

**Basis of Presentation**

*District-wide Statements:* The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activity of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees and charged to external parties. The statement of net position presents the financial condition of the governmental and business-type activity of the School District at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities.

Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the School District.

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

**GOVERNMENTAL FUNDS**

The District reports the following governmental funds:

**General Fund** - The General Fund is the general operating fund of the District and is used to account for all expendable financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the Capital Outlay subfund. The fund also accounts for the payroll, payroll agency, and unemployment fund per GASB No. 84.

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Presentation, Basis of Accounting (Continued):**

**GOVERNMENTAL FUNDS (Continued)**

As required by the New Jersey State Department of Education, the District includes budgeted Capital Outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

**Special Revenue Fund** - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, debt service or the enterprise funds) and local appropriations that are legally restricted to expenditures for specified purposes. The fund also accounts for the student activity fund as per GASB No. 84.

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

**PROPRIETARY FUNDS**

The District reports the following proprietary fund:

**Enterprise Funds** - The Enterprise Funds account for all revenues and expenses pertaining to the Board's cafeteria (food service) and child care operations. The food service fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through federal & state subsidies and user charges. The before & after child care fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises to provide care to students before and after school. The before & after child care fund is financed primarily through user charges.

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Presentation, Basis of Accounting (Continued):**

**Measurement Focus - Basis of Accounting**

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

*District-wide, Proprietary, and Fiduciary Fund Financial Statements:* The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; the enterprise fund and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year.

The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

All governmental and business-type activities and enterprise funds of the District follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. 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 are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue funds. 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. 6:20-2A.2(m)1. All budget amendments/transfers must be approved by School Board resolution. In addition, transfers are also covered by changes in N.J.A.C. 6A:23A-2.3 that can require approval through the state department. All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Appropriations, except remaining project appropriations, encumbrances and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures.

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

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

**D. Encumbrance Accounting:**

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

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

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**E. Assets, Liabilities and Equity:**

**Cash and Cash Equivalents:**

Cash and cash equivalents includes petty cash, change funds, amounts in deposits, money market accounts and short-term investments with original maturities of three months or less.

**Interfund Transactions:**

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

**Inventories:**

Inventory purchases, other than those recorded in the enterprise fund, are recorded as expenditures during the year of purchase. Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method.

**Allowance for Uncollectible Accounts:**

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

**Capital Assets:**

The District has established a formal system of accounting for its capital assets. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The School District does not possess any infrastructure. The capitalization threshold used by school districts in the State of New Jersey is \$2,000.

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Assets, Liabilities and Equity (Continued):**

All reported capital assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method under the half-year convention over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
School Buildings	50
Building Improvements	20
Electrical/Plumbing	30
Vehicles	8
Office and Computer Equipment	5-10
Instructional Equipment	10
Grounds Equipment	15

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets are not capitalized and related depreciation is not reported in the fund financial statements.

**Compensated Absences:**

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

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

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick leave that is expected to become eligible for payment upon termination. The District estimates its accrued compensated absences liability based on the accumulated sick and vacation days at the balance sheet date by those employees who are currently eligible to receive termination payments. Salary related payments for the employer's share of social security and medicare taxes, as well as pension contributions, are included.

For the District-wide Statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.



MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Assets, Liabilities and Equity (Continued):**

**Deferred Revenue:**

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there is an enforceable legal claim as of June 30, 2024, but which were levied to finance subsequent fiscal year operations, have been recorded as deferred revenue. Grants and entitlement received before the eligible requirements are met are also recorded as deferred revenue.

**Accrued Liabilities and Long-Term Obligations:**

All payables, accrued liabilities and long-term obligations are reported on the District-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, contractually required pension contributions and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the fund financial statements when due.

**Net Position:**

Net Position represent the difference between assets and liabilities. Net Position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction or improvement of those assets. Net Position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The School District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**Fund Balance Reserves:**

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

**Revenues—Exchange and Nonexchange Transactions**

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

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Assets, Liabilities and Equity (Continued):**

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

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year end: property taxes available as an advance, interest and tuition.

**Operating Revenues and Expenses:**

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

**Allocation of Indirect Expenses:**

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

**Extraordinary and Special Items:**

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

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Assets, Liabilities and Equity (Continued):**

**Management Estimates:**

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

**NOTE 2: CASH AND CASH EQUIVALENTS**

**Deposits:**

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey, which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit.

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

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

The Board has no policy regarding custodial risk for deposits.

Pursuant to GASB Statement No. 40, "Deposit and Investment Risk Disclosures" ("GASB 40"), the district's accounts are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the municipality would not be able to recover the value of its deposits or investment). Deposits are considered to be exposed to Custodial Credit Risk if they are: uncollateralized or collateralized with securities held by the financial institution's trust department or agent but not in the government's name. At June 30, 2024, all of the district's deposits were collateralized by securities held in its name and, accordingly, not exposed to custodial credit risk. The district does not have a policy for custodial credit risk.

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 2: CASH AND CASH EQUIVALENTS - (Continued)**

As of June 30, 2024, cash and cash equivalents of the District consisted of the following:

	Cash and Cash Equivalents (A-1)
Checking Accounts	\$ 974,825
Certificate of Deposit	342,237
	<u>\$ 1,317,062</u>

The carrying amount of the Board's cash and cash equivalents at June 30, 2024, was \$1,317,062 and the bank balance was \$1,343,099. All bank balances were covered by federal depository insurance and/or covered by a collateral pool maintained by the banks as required by New Jersey statutes. Of these bank balances, \$250,000 was covered by federal depository insurances and \$1,093,099 was covered by collateral pool.

**NOTE 3: RECEIVABLES**

Receivables at June 30, 2024, consisted of intergovernmental grants and aid. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial Statements	Government-Wide Financial Statements
State Aid	\$ 238,927	\$ 239,181
Federal Aid	28,160	30,492
Receivables-Child Care	-	392
Receivables-E-rate & Other	27,726	27,726
Gross Receivable	294,813	297,791
Less: Allow. for Uncollectibles	-	-
Total Receivables, Net	<u>\$ 294,813</u>	<u>\$ 297,791</u>

**NOTE 4: INVENTORY**

Inventory in the Food Service Fund at June 30, 2024, consisted of the following:

Commodities	\$ 2,081
Food	3,925
Total	<u>\$ 6,006</u>

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1996, as revised) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements.

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 5: DEFERRED BOND ISSUANCE COSTS**

In governmental funds, debt issuance costs are recognized in the current period. For the District-wide financial statements, governmental activity debt issuance costs are amortized straight-line over the life of the specific bonds (18 to 20 years). The costs associated with the issued of the various bonds are immaterial and are not amortized on the District-wide financial statements.

**NOTE 6: CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2024, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>				
<i>Capital Assets Not Being Depreciated:</i>				
Land & Construction in Progress	\$ 26,344			\$ 26,344
<i>Capital Assets Being Depreciated:</i>				
Land Improvements	556,015			556,015
Buildings and Building Improvements	14,689,968	\$ 160,955		14,850,923
Machinery and Equipment	1,170,634			1,170,634
Total at Historical Cost	<u>16,416,617</u>	<u>160,955</u>	<u>-</u>	<u>16,577,572</u>
Less Accumulated Depreciation for:				
Land Improvements	(369,635)	(12,271)		(381,906)
Building and Improvements	(6,380,215)	(500,218)		(6,880,433)
Equipment	(775,551)	(79,135)		(854,686)
Total Accumulated Depreciation	<u>(7,525,401)</u>	<u>(591,624)</u>		<u>(8,117,025)</u>
Total Capital Assets Being Depreciated, net of Accumulated Depreciation	<u>8,891,216</u>	<u>(430,669)</u>	<u>-</u>	<u>8,460,547</u>
<b>Government Activity Capital Assets, Net</b>	<b><u>\$ 8,917,560</u></b>	<b><u>\$ (430,669)</u></b>	<b><u>-</u></b>	<b><u>\$ 8,486,891</u></b>

On January 11, 2001, the NJ State Department of Education announced that effective July 1, 2001, the capitalization threshold used by school districts in the State of New Jersey is increased to \$2,000. The previous threshold was \$500. Applying the higher capitalization threshold retroactively (removal of old assets from the General Fixed Assets Account Group) will be permitted by the State regulations in situations where (1) the assets have been fully depreciated, or (2) the assets have exceeded their useful lives. The retirement of machinery and equipment is due to the retroactive application of the higher threshold of equipment capitalization. That is, the District has removed from their records assets with a historical cost greater than \$500 but not greater than \$2,000 that were fully depreciated or had exceeded their useful lives.

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 6: CAPITAL ASSETS**

Depreciation expense was charged to functions as follows:

Regular Instruction	\$ 28,027
School Administration	2,618
Plant and Operations	6,054
General Unallocated	554,925
Total	<u>\$ 591,624</u>

**NOTE 7: LONG-TERM OBLIGATIONS**

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds.

**A. Long-Term Obligation Activity:**

Changes in long-term obligations for the year ended June 30, 2024, are as follows:

	Balance <u>7/1/23</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>6/30/24</u>	Amounts Due Within <u>One Year</u>
<b>Governmental Activities:</b>					
Bonds Payable:					
General Obligation Debt	\$4,550,000		(\$325,000)	\$4,225,000	\$335,000
Other Liabilities:					
Unamortized Bond Premium	64,108		(5,828)	58,280	5,828
Compensated Absences Payable	323,370	32,418		355,788	
<b>Total</b>	<u>\$4,937,478</u>	<u>\$32,418</u>	<u>(\$330,828)</u>	<u>\$4,639,068</u>	<u>\$340,828</u>

Compensated absences are liquidated in the General Fund. Payments on General Obligation Debt are liquidated in the Debt Service Fund.

Interest paid on debt issued by the District is exempt from federal income taxes. Because of this, bond holders are willing to accept a lower interest rate than they would on taxable debt. The District temporarily reinvests the proceeds of such debt in higher-yielding taxable securities, especially during construction projects. The federal tax code refers to this as arbitrage.

Earnings in excess of the yield on the debt issue are rebated to the federal government based on requirements in the Internal Revenue Code. Arbitrage rebate payable represents amounts due to the Internal Revenue Service for interest earned on unspent bond proceeds that exceeds legally allowable returns.

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 7: LONG-TERM OBLIGATIONS (Continued)**

Rebatable arbitrage liabilities related to District debt are not recorded in governmental funds. There is no recognition in the balance sheet or income statement until rebatable amounts are due and payable to the federal government. Thus, rebatable arbitrage liabilities related to governmental debt will be accrued as incurred at least annually (at fiscal year end) on the District-wide financial statements.

For the year ended June 30, 2024, it is not necessary for the Board to establish a liability for arbitrage rebate.

	Government Activities			
	Issue <u>Date</u>	Interest <u>Rates</u>	Date of <u>Maturity</u>	Balance <u>6/30/24</u>
Bonds Payable	7/15/15	3.0-3.5%	7/15/34	\$ 4,225,000
Total Bonds				<u>\$ 4,225,000</u>

**B. Debt Service Requirements:**

Debt Service requirements on serial bonds payable at June 30, 2024, is as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 335,000	\$ 128,225	\$ 463,225
2026	350,000	117,950	467,950
2027	365,000	107,225	472,225
2028	375,000	96,125	471,125
2029	400,000	84,500	484,500
2030-2034	2,000,000	235,750	2,235,750
2035	400,000	7,000	407,000
	<u>\$ 4,225,000</u>	<u>\$ 776,775</u>	<u>\$ 5,001,775</u>

As of June 30, 2024, the District had no authorized but not issued bonds.

**NOTE 8: PENSION PLANS**

Description of Plans - All required employees of the 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 on the internet at <http://www.state.nj.us/treasury/pensions/annrpts.shtml>.

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 8: PENSION PLANS (Continued)**

**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, 100% of 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.

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

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*

The employer contributions for the district are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, the district (employer) is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the district (employer) does not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the district. However, the state's portion of the net pension liability that was associated with the district was \$23,812,414 as measured on June 30, 2023 and \$23,353,128 measured on June 30, 2022.

For the year ended June 30, 2024, the District recognized pension expense of \$585,002 and revenue of \$585,002 for support provided by the State. The measurement period for the pension expense and revenue reported in the district's financial statements (A-2) at June 30, 2024 is based upon changes in the collective net pension liability with a measurement period of June 30, 2022 through June 30, 2023. Accordingly, the pension expense and the related revenue associated with the support provided by the State is based upon the changes in the collective net pension liability between July 1, 2022 and June 30, 2023.

Although the district does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State's portion of the net pension liability associated with the district. The collective amounts are the total of all New Jersey local governments participating in the TPAF plan.



MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 8: PENSION PLANS (Continued)**

	<u>6/30/2023</u>	<u>6/30/2024</u>
Collective deferred outflows of resources	\$4,996,491,160	\$2,498,730,891
Collective deferred inflows of resources	\$19,532,696,776	\$14,719,080,314
Collective net pension liability (Nonemployer-State of New Jersey)	\$51,594,415,806	\$51,032,669,551
State's portion of the net pension liability that was associated with the district	\$23,353,128	\$23,812,414
State's portion of the net pension liability that was associated with the district as a percentage of the collective net pension liability	0.045263%	0.046661%

*Actuarial assumptions* - The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation:

Price	2.75%
Wage	3.25%

Salary Increases            2.75-5.65% based on years of service

Investment Rate of Return    7.00%

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

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.

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 8: PENSION PLANS (Continued)**

*Long-Term Expected Rate of Return* - In accordance with State statute, the long-term expected rate of return on plan investments (7.0% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2023 are summarized in the following table:

<u><i>Asset Class</i></u>	<u><i>Target Allocation</i></u>	<u><i>Long-Term Expected Real Rate of Return</i></u>
US Equity	28.00%	8.98%
Non-US devel.markets equity	12.75%	9.22%
International Small Cap Equit	1.25%	9.22%
Emerging markets equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yeild	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash equivalents	2.00%	3.31%
US Treasuries	4.00%	3.31%
Risk mitigation	3.00%	6.21%

*Discount rate* - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. 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.

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 8: PENSION PLANS (Continued)**

*Sensitivity of the State's net pension liability to changes in the discount rate* - Since the District has no proportionate share of the net pension liability because of the special funding situation, the district would not be sensitive to any changes in the discount rate. The following presents the State's net pension liability measured as of June 30, 2023, calculated using the discount rate shown above, as well as what the State's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
	<u>(6.00%)</u>	<u>(7.00%)</u>	<u>(8.00%)</u>
State's Collective Net Pension Liability	\$ 60,267,919,597	\$ 51,109,961,824	\$ 43,396,784,734

*Pension plan fiduciary net position* - Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at <http://www.nj.gov/treasury/pensions/financial-rprts-home.shtml>. The plan fiduciary net position as of June 30, 2023 was \$27,130,181,268.

*Amortization of Deferred Outflows and Inflows of Resources* - Amount reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions will be recognized in the state's pension expense as follows:

	<u>Year Ended June 30:</u>
2024	(\$3,918,676,894)
2025	(3,446,016,070)
2026	(1,604,289,401)
2027	(1,742,641,843)
2028	(1,672,806,952)
Thereafter	<u>56,606,524</u>
Total	<u>(\$12,327,824,636)</u>

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 8: PENSION PLANS (Continued)**

*Pension Expense* - The components of allocable pension expense and pension expense related to specific liabilities of individual employers, for state and local employers for the year ending June 30, 2023 are as follows:

Service cost	\$1,364,281,690
Interest on total pension liability	5,268,967,929
Member contributions	(933,033,324)
Administrative expense	13,581,904
Expected investment return net of investment expenses	(1,703,986,173)
Pension expense related to specific liabilities of individual employers	(449,590)
Recognition (amortization) of deferred inflows/outflows:	
Differences between expected and actual experience	195,761,712
Changes in assumptions	(3,048,968,450)
Difference between projected and actual investment earnings on pension plan investments	<u>99,467,335</u>
Total pension expense	<u>\$1,255,623,033</u>

**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.

*Summary of Significant Accounting Policies* - 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 PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by 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.

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 8: PENSION PLANS (Continued)**

At June 30, 2024, the District reported a liability of \$1,781,189 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The total pension liability for the June 30, 2022 valuation was determined by an experience study for the period July 1, 2018 to June 30, 2021. The District's proportion of the net pension liability is based on the ratio of the contributions as an individual employer to total contributions to the PERS during the years ended June 30, 2023 and 2022. At June 30, 2023, the District's proportion was 0.0123% which was an increase of 0.00113% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the District recognized pension expense/(benefit) of \$104,541. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Differences between expected and actual experience	\$ 17,030	\$ 7,281
Changes of assumptions	3,913	107,948
Net difference between projected and actual earnings on pension plan investments	8,203	-
Changes in proportion and differences between District contributions and proportionate share of contributions	250,495	10,395
District contributions subsequent to the measurement date	164,357	
Total	<u>\$ 443,998</u>	<u>\$ 125,624</u>

\$164,357 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2024, the plan measurement date is June 30, 2023) will be recognized as a reduction of the net pension liability measured as of June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>Year Ended June 30:</u>
2024	\$168,254
2025	93,913
2026	(131,237)
2027	23,486
2028	<u>(399)</u>
Total	<u>\$154,017</u>

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 8: PENSION PLANS (Continued)**

	<u>6/30/2023</u>	<u>6/30/2024</u>
Collective deferred outflows of resources	\$1,660,772,008	\$1,080,204,730
Collective deferred inflows of resources	3,236,303,935	1,780,216,457
Collective net pension liability (Non State - Local Group)	\$15,091,376,611	\$14,606,489,066
District's portion of net pension liability	\$1,685,993	\$1,781,189
District's proportion %	0.01117190%	0.01219450%

*Actuarial assumptions* - The collective total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. This actuarial valuation used the following actuarial assumptions:

Inflation:	
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 disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021

The actuarial assumptions used in the July 1, 2022 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, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2023 are summarized in the following table:

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 8: PENSION PLANS (Continued)**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	28.00%	8.98%
Non-US devel.markets equity	12.75%	9.22%
International Small Cap Equit	1.25%	9.22%
Emerging markets equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yeild	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash equivalents	2.00%	3.31%
US Treasuries	4.00%	3.31%
Risk mitigation	3.00%	6.21%

*Discount rate* - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

*Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate* - The following presents the District's proportionate share of the net pension liability measured as of June 30, 2023, 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:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
	<u>(6.00%)</u>	<u>(7.00%)</u>	<u>(8.00%)</u>
District's proportionate share of the net pension liability	\$ 2,318,729	\$1,781,189	\$ 1,323,671

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 8: PENSION PLANS (Continued)**

*Pension Expense* - The components of allocable pension expense and pension expense related to specific liabilities of individual employers, for state and local employers for the year ending June 30, 2023 are as follows:

Service cost	(\$867,645)
Interest on total Pension liability	(3,276,637)
Benefit changes	
Member contributions	699,755
Administrative expens	(15,312)
Expected investment return net of investment expenses	1,931,418
Pension expense related to specific liabilities of individual employers	12,895
Recognition (amortization) of deferred inflows/outflows:	
Differences between expected and actual experience	(56,563)
Changes in assumptions	1,582,214
Difference between projected and actual investment earnings on pension plan investments	<u>94,416</u>
Total pension expense/(benefit)	<u>\$104,541</u>

*Pension plan fiduciary net position.* Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at <http://www.nj.gov/treasury/pensions/financial-rprts-home.shtml>.

**Defined Contribution Retirement Plan (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.



MANSFIELD TOWNSHIP  
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NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 8: PENSION PLANS (Continued)**

**PERS and TPAF 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 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  $\frac{1}{4}$  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).

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 8: PENSION PLANS (Continued)**

**Contribution Requirements** - The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 (PERS) and N.J.S.A. 18:66 (TPAF) 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 6.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The current TPAF rate is 6.5% and the PERS rate is 6.5% of covered payroll.

<u>Three-Year Trend Information for PERS</u>			
Year	Annual	Percentage	Net
<u>Funding</u>	<u>Pension</u>	<u>of APC</u>	<u>Pension</u>
	<u>Cost (APC)</u>	<u>Contributed</u>	<u>Obligation</u>
6/30/2024	\$164,357	100%	-0-
6/30/2023	\$140,883	100%	-0-
6/30/2022	\$126,369	100%	-0-

<u>Three-Year Trend Information for TPAF (Paid on-behalf of the District)</u>			
Year	Annual	Percentage	Net
<u>Funding</u>	<u>Pension</u>	<u>of APC</u>	<u>Pension</u>
	<u>Cost (APC)</u>	<u>Contributed</u>	<u>Obligation</u>
6/30/2024	\$2,052,488	100%	-0-
6/30/2023	\$1,934,699	100%	-0-
6/30/2022	\$1,890,319	100%	-0-

During the fiscal year ended June 30, 2024, the State of New Jersey did contribute \$2,610,894 to the TPAF for post-retirement benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$421,653 during the year ended June 30, 2024, for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. The PERS amounts have been included in the fund-based statements as pension expense and the TPAF on-behalf amounts have been included in fund-based statements as revenues and expenditures. The PERS and TPAF amounts have been modified and included in the District-wide financial statements in accordance with GASB Statement No. 68.

**NOTE 9: POST-RETIREMENT BENEFITS**

**Plan description and benefits provided**

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

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 9: POST-RETIREMENT BENEFITS-(Continued)**

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

The State, a nonemployer 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.

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

*Actuarial assumptions and other imputes.* The June 30, 2024 GASB 75 reporting is based on a measurement date of June 30, 2023. The total nonemployer OPEB liability as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023. The actuarial assumptions used in the June 30, 2022 valuation were based on the results of actuarial experience studies for the periods July 1, 2018 - June 30, 2021 for TPAF, PERS and PFRS. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Total Nonemployer OPEB Liability:	\$	52,361,668,239		
			TPAF/ABP	PERS
Salary Increases			2.75% to 4.25%	2.75% to 6.55%
				3.25% to 16.25%
			Based on service years	

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 9: POST-RETIREMENT BENEFITS-(Continued)**

**(a) Health Care Trend Assumptions**

For pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 14.8% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO, the trend is increasing to 17.4% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.5% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

**(b) Discount Rate**

The discount rate used to measure the total OPEB liability was 3.65%. 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.

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

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

	<u>Total OPEB Liability</u>
<b>The State's Total OPEB Liability Balance at 6/30/2022</b>	<b>\$50,646,462,966</b>
<u>Changes for the year:</u>	
Service Cost	2,136,235,476
Interest on the Total OPEB Liability	1,844,113,951
Change in Benefit Terms	-
Differences Between Expected and Actual Experience	(980,424,863)
Changes of Assumptions	105,539,463
Gross Benefit Payments	-
Contributions from Members/Employers	(1,390,258,754)
Net changes	<u>1,715,205,273</u>
<b>The State's Total OPEB Liability Balance at 6/30/2023</b>	<b><u>\$52,361,668,239</u></b>

**The State's total OPEB liability attributable to the District: \$24,500,168**

Changes of assumptions and other inputs reflects a change in the discount rate from 3.54 percent in 2022 to 3.65 percent in 2023 and other changes.

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 9: POST-RETIREMENT BENEFITS-(Continued)**

**Sensitivity of the total OPEB liability to changes in the discount rate.** The following presents the total OPEB liability of the State for school board retirees, as well as what the State's total OPEB liability for school board would be if it were calculated using a discount rate that is 1-percentage -point lower or 1- percentage-point higher than the current discount rate:

June 30, 2023			
	At 1% Decrease <u>2.65%</u>	At Discount Rate <u>3.65%</u>	At 1% Increase <u>4.65%</u>
Total OPEB Liability (School Retirees)	\$61,385,066,712	\$52,361,668,239	\$45,116,926,835

June 30, 2022			
	At 1% Decrease <u>2.54%</u>	At Discount Rate <u>3.54%</u>	At 1% Increase <u>4.54%</u>
Total OPEB Liability (School Retirees)	\$59,529,589,697	\$50,646,462,966	\$43,527,080,995

**Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.** The following presents the total OPEB liability of the State, as well as what the State's 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:

June 30, 2023			
	At 1% Decrease	Health Care Cost Trend Rate	At 1% Increase
Total OPEB Liability (School Retirees)	\$43,468,257,358	\$52,361,668,239	\$63,998,719,320

June 30, 2022			
	At 1% Decrease	Health Care Cost Trend Rate	At 1% Increase
Total OPEB Liability (School Retirees)	\$41,862,397,291	\$50,646,462,966	\$62,184,866,635

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 9: POST-RETIREMENT BENEFITS-(Continued)**

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

For the year ended June 30, 2023, the board of education recognized OPEB expense and related revenue of \$639,940 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASBS No. 75 and in which there is a special funding situation.

In accordance with GASBS No. 75, the District's proportionate share of school retirees OPEB is zero, and there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources. At June 30, 2023, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB from the following sources:

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Differences Between Expected and Actual Experience	\$7,639,717,639	\$13,791,541,217
Changes of assumptions or other inputs	<u>7,445,895,322</u>	<u>14,449,948,556</u>
Total	<u>\$15,085,612,961</u>	<u>\$28,241,489,773</u>

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

Year ended June 30:

2024	(\$2,611,225,301)
2024	(\$2,611,225,301)
2025	(\$2,269,523,460)
2026	(\$1,338,024,839)
2027	(273,877,609)
Thereafter	<u>(4,052,000,302)</u>
	<u>(\$13,155,876,812)</u>

**NOTE 10: DEFERRED COMPENSATION**

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

Siracusa - SBP Sun National  
John Hancock Signature Services  
Lincoln National Life

**NOTE 11: COMPENSATED ABSENCES**

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

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 11: COMPENSATED ABSENCES - (Continued)**

District employees are granted vacation and sick leave in varying amounts under the District's personnel policies. In the event of retirement within the state pension plan, an employee is reimbursed for accumulated vacation and/or unused sick days. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after initial employment. The balance at June 30, 2024 is \$355,788.

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

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, 2024, no liability existed for compensated absences in the proprietary fund types.

**NOTE 12: RISK MANAGEMENT**

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

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

**Joint Insurance Fund** - The District participates in the New Jersey School Insurance Group (NJSIG) comprised of state-wide boards of education. It was formed July 1, 1996 under the provisions of NJSA 18A:18B-1 et. seq. The group offers its member districts worker's compensation and employer's liability, automobile and equipment liability, general liability and property damage, school board legal liability, and boiler and machinery coverage.

The District is assessed for the contributions for those funds and is responsible for any reserve deficiencies. No contingency or provision has been made in these financial statements, as no deficiencies occurred as of June 30, 2024 for the joint insurance pool. The coverage in this program is shown on exhibit J-20.

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

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Reserve Balance</u>
2023-2024	-	-	\$ 5,020	\$ 268,786
2022-2023	-	\$ 12,500	5,018	273,806
2021-2022	\$ 50	8,723	-	266,324

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 13: CONTINGENT LIABILITIES**

**GRANT PROGRAMS**

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

**LITIGATION**

The Board is not involved in claims and lawsuits incidental to its operations.

**NOTE 14: FUND BALANCE APPROPRIATED**

General Fund (Exhibit B-1) - Of the \$846,759 General Fund fund balance at June 30, 2024, \$301,240 is reserved in the Maintenance Reserve Account; \$320,657 is reserved in the Capital Reserve Account; \$2,496 is appropriated and included as anticipated revenue for the year ending June 30, 2025; \$20,134 is reserved for encumbrances; \$246,962 is reserved for Unemployment; and (\$44,730) is unreserved and undesignated.

Debt Service Fund - The \$1 Debt Service fund balance at June 30, 2024 is anticipated to be included as anticipated revenue for subsequent fiscal years.

**NOTE 15: CALCULATION OF EXCESS SURPLUS**

The designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. 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, 2024 is zero.

**NOTE 16: CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the Mansfield Township School District Board of Education by 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 or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23-2.13(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.



MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 16: CAPITAL RESERVE ACCOUNT - (Continued)**

The activity of the capital reserve for the July 1, 2023 to June 30, 2024 fiscal year is as follows:

Beginning Balance, July 1, 2023	\$ 470,177
Budgeted Withdrawal	(250,000)
Deposits (PL 2007 c.62 (A1)): Board Resolution 6/20/2024	100,380
Interest Earnings	100
Ending Balance, June 30, 2024	<u><u>\$ 320,657</u></u>

**NOTE 17: MAINTENANCE RESERVE ACCOUNT**

A maintenance reserve account was established by the School District Board of Education for the accumulation of funds for use in accordance with PL 2007 c.62 (A1). 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, 2023 to June 30, 2024 fiscal year is as follows:

Beginning balance July 1, 2023	\$ 526,240
Budgeted Withdrawals	(225,000)
Ending balance June 30, 2024	<u><u>\$ 301,240</u></u>

**NOTE 18: INTERFUND RECEIVABLES AND PAYABLES**

Interfund receivables and payables as of June 30, 2024, are as follows:

	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 248,897	\$ 742,233
General Fund - Unemployment Fund	109,775	
Special Revenue Fund	283,525	248,897
Food Service Fund	286,651	
Before & After Child Care Fund	62,896	614
	<u><u>\$ 991,744</u></u>	<u><u>\$ 991,744</u></u>

The general fund interfund payable is due to the enterprise fund for federal/state lunch subsidies received in the general fund cash account but not yet paid over to the food service fund of \$286,037; the unemployment fund for a cash advance to the general fund cash account of \$109,775; federal grants received in the general fund, but not yet paid over to the special revenue fund of \$283,525; and for cash advances from the before and after child care fund for cash flow purposes of \$62,896.

The special revenue fund interfund payable is for cash loans from the general fund in anticipation of grant receipts. It should be noted that this amount is directly related to the special revenue fund interfund receivable from the general fund for \$283,525, as noted in the previous paragraph, resulting in a net special revenue fund interfund receivable of \$34,628.

The before & after child care fund interfund payable of \$614 is due to the food service fund for prior years food service receipts received in the before and after child care fund and not yet transferred.

MANSFIELD TOWNSHIP  
SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 19: TAX ABATEMENTS**

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

**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

<b>BUDGETARY COMPARISON SCHEDULES</b>
---------------------------------------

## MANSFIELD TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND

Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
<b>REVENUES:</b>					
<b>Local Sources:</b>					
Local Tax Levy	\$ 6,217,164		\$ 6,217,164	\$ 6,217,164	-
Tuition from Individuals	28,025		28,025	42,000	\$ 13,975
Tuition from LEAs	40,100		40,100	-	(40,100)
Interest Earned on Capital Reserve Funds	100		100	-	(100)
Miscellaneous	25,000		25,000	281,835	256,835
<b>Total - Local Sources</b>	<b>6,310,389</b>		<b>6,310,389</b>	<b>6,540,999</b>	<b>230,610</b>
<b>State Sources:</b>					
Equalization Aid	2,819,868		2,819,868	2,819,868	
Transportation Aid	273,159		273,159	273,159	
Special Education Aid	439,697		439,697	439,697	
Security Aid	85,007		85,007	85,007	
Supplemental Stabilization Aid				64,021	64,021
Extraordinary Aid	65,000		65,000	7,584	(57,416)
Other State Aid	91,565		91,565	210,916	119,351
TPAF Pension (On-Behalf - Non-Budgeted)				2,051,730	2,051,730
TPAF Post Retirement Medical (On-Behalf - Non-Budgeted)				558,406	558,406
TPAF Pension LTD Insurance (On-Behalf - Non-Budgeted)				758	758
TPAF Social Security (Reimbursed - Non-Budgeted)				421,653	421,653
<b>Total State Sources</b>	<b>3,774,296</b>		<b>3,774,296</b>	<b>6,932,799</b>	<b>3,158,503</b>
<b>Federal Sources:</b>					
Medical Assistance Program	17,675		17,675	25,807	8,132
<b>Total Federal Sources</b>	<b>17,675</b>		<b>17,675</b>	<b>25,807</b>	<b>8,132</b>
<b>TOTAL REVENUES</b>	<b>10,102,360</b>		<b>10,102,360</b>	<b>13,499,605</b>	<b>3,397,245</b>

## MANSFIELD TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND

Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
<b>EXPENDITURES:</b>					
<b>Current Expense:</b>					
<b>Regular Programs - Instruction</b>					
Kindergarten - Salaries of Teachers	485,213	12,894	498,107	498,107	
Grades 1-5 - Salaries of Teachers	2,120,531	129,377	2,249,908	2,337,004	(87,096)
Other Salaries for Instruction		4,000	4,000	4,000	
Grades 6-8 - Salaries of Teachers	480,788	9,771	490,559	490,559	
<b>Regular Programs - Home Instruction:</b>					
Oth Sal For Instruction	3,299	(3,299)			
Purchased Professional-Educational Services	1,300	(1,300)			
<b>Regular Programs - Undistributed Instruction</b>					
Oth Sal For Instruction					
Purchased Professional-Educational Services		557	557	557	
Other Purchased Services (400-500 series)	24,597	(6,713)	17,884	17,884	
General Supplies	65,000	(9,515)	55,485	53,571	1,914
Textbooks	10,250	8,440	18,690	9,011	9,679
<b>TOTAL REG. PROGRAMS - INSTRUCTION</b>	<b>3,190,978</b>	<b>144,212</b>	<b>3,335,190</b>	<b>3,410,693</b>	<b>(75,503)</b>
<b>SPECIAL EDUCATION - INSTRUCTION</b>					
<b>Learning and/or Language Disabilities:</b>					
Salaries of Teachers	66,368	6,795	73,163	73,163	
Other Salaries for Instruction	20,846	46,843	67,689	67,689	
<b>Total Learning and/or Language Disabilities</b>	<b>87,214</b>	<b>53,638</b>	<b>140,852</b>	<b>140,852</b>	
<b>Multiple Disabilities:</b>					
Salaries of Teachers	50,053	10,393	60,446	60,446	
Other Salaries for Instruction	47,053	30,120	77,173	77,173	
<b>Total Multiple Disabilities</b>	<b>97,106</b>	<b>40,513</b>	<b>137,619</b>	<b>137,619</b>	
<b>Resource Room/Resource Center:</b>					
Salaries of Teachers	750,943	24,116	775,059	775,059	
Other Salaries for Instruction	48,752	3,987	52,739	52,739	
General Supplies					
<b>Total Resource Room/Resource Center</b>	<b>799,695</b>	<b>28,103</b>	<b>827,798</b>	<b>827,798</b>	
<b>Autistic:</b>					
Salaries of Teachers	1,200	(1,200)			
<b>Total Autistic</b>	<b>1,200</b>	<b>(1,200)</b>			

## MANSFIELD TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND

Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
<b>Preschool Disabilities - Part-Time:</b>					
Salaries of Teachers		3,360	3,360	3,360	
Other Salaries for Instruction	9,265	(436)	8,829	8,829	
<b>Total Preschool Disabilities - Part-Time</b>	<u>9,265</u>	<u>2,924</u>	<u>12,189</u>	<u>12,189</u>	
<b>Preschool Disabilities - Full-Time:</b>					
Salaries of Teachers	201,584	63,019	264,603	281,194	(16,591)
Other Salaries for Instruction	67,171	(9,089)	58,082	58,082	
<b>Total Preschool Disabilities - Full-Time</b>	<u>268,755</u>	<u>53,930</u>	<u>322,685</u>	<u>339,276</u>	<u>(16,591)</u>
<b>TOTAL SPECIAL ED. - INSTRUCTION</b>	<u>1,263,235</u>	<u>177,908</u>	<u>1,441,143</u>	<u>1,457,734</u>	
<b>Basic Skills/Remedial - Instruction:</b>					
Salaries of Teachers	8,510	83,820	92,330	92,330	
<b>Total Basic Skills/Remedial - Instruction</b>	<u>8,510</u>	<u>83,820</u>	<u>92,330</u>	<u>92,330</u>	
<b>Bilingual Education - Instruction:</b>					
Salaries	174,939	1,820	176,759	176,759	
Purchased Professional-Educational Services	5,200	(5,200)			
<b>Total Bilingual Education-Instruction</b>	<u>180,139</u>	<u>(3,380)</u>	<u>176,759</u>	<u>176,759</u>	
<b>TOTAL INSTRUCTION</b>	<u>4,642,862</u>	<u>402,560</u>	<u>5,045,422</u>	<u>5,137,516</u>	<u>(75,503)</u>
<b>UNDISTRIBUTED EXPENDITURES</b>					
<b>Undistributed Expenditures - Instruction:</b>					
Tuition to Other LEAs Within the State - Regular	10,000	(10,000)			
Tuition to Other LEAs Within the Stat - Special	60,000	(57,394)	2,606	2,606	
Tuition to Private Schools for the Disabled - Within State		7,385	7,385	7,385	
<b>Total Undistributed Expenditures - Instruction</b>	<u>70,000</u>	<u>(60,009)</u>	<u>9,991</u>	<u>9,991</u>	
<b>Attendance and Social Work:</b>					
Salaries	18,131	(18,131)			
<b>Total Attendance and Social Work</b>	<u>18,131</u>	<u>(18,131)</u>			

## MANSFIELD TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND**

Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
<b>Health Services:</b>					
Salaries	119,010	(28,788)	90,222	90,222	
Purchased Professional and Technical Services	3,500	(405)	3,095	3,095	
Other Purchased Services (400-500 series)	100	(100)			
Supplies and Materials	3,500	(2,530)	970	970	
<b>Total Health Services</b>	126,110	(31,823)	94,287	94,287	
<b>Other Supp. Services Students-Related Serv.:</b>					
Salaries	250,925	28,158	279,083	279,083	
Purchased Professional-Educational Services	4,000	(3,500)	500	500	
Supplies and Materials	1,200	3,585	4,785	4,785	
<b>Total Other Supp. Serv. Students-Related Serv.</b>	256,125	28,243	284,368	284,368	
<b>Other Supp. Services Students-Regular:</b>					
Salaries of Other Professional Staff	171,942	3,508	175,450	175,450	
Salaries of Secretarial and Clerical Assistants	5,000	(5,000)			
Other Purchased Prof. and Tech. Services	4,000	(596)	3,404	3,404	
Supplies and Materials	3,500	(3,500)			
<b>Total Other Supp. Services Students-Regular</b>	184,442	(5,588)	178,854	178,854	
<b>Other Supp. Services Students-Special:</b>					
Salaries of Other Professional Staff	275,200	33,220	308,420	308,420	
Salaries of Secretarial and Clerical Assistants	45,000	4,653	49,653	49,653	
Purchased Professional-Educational Services	4,500	(4,500)			
Other Purchased Services (400-500)	500	1,228	1,728	1,728	
Supplies and Materials	5,400	(1,917)	3,483	3,483	
<b>Total Other Supp. Services Students-Special</b>	330,600	32,684	363,284	363,284	
<b>Improvement of Instruction Services:</b>					
Salaries of Supervisor of Instruction	102,801	589	103,390	103,390	
Salaries of Other Professional Staff	1,500	(1,500)			
Other Purchased Services (400-500 series)	500	(50)	450	450	
Supplies and Materials	20,570	30,465	51,035	51,035	
<b>Total Improvement of Instruction Services</b>	125,371	29,504	154,875	154,875	



## MANSFIELD TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND

Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance Final to Actual Favorable/ (Unfavorable)</b>
<b>Educational Media Services/School Library:</b>					
Salaries	161,889	(57,014)	104,875	104,875	
Other Purchased Prof. and Tech. Services	112,000	(3,436)	108,564	98,814	9,750
Supplies and Materials	6,500	(5,191)	1,309	1,309	
<b>Total Educational Media Services/School Library</b>	<b>280,389</b>	<b>(65,641)</b>	<b>214,748</b>	<b>204,998</b>	<b>9,750</b>
<b>Instructional Staff Training Services:</b>					
Purchased Professional-Educational Services	6,600	(750)	5,850	5,850	
Other Purchased Services (400-500 series)	8,000	2,144	10,144	10,144	
<b>Total Instructional Staff Training Services</b>	<b>14,600</b>	<b>1,394</b>	<b>15,994</b>	<b>15,994</b>	
<b>Supp. Services - General Administration:</b>					
Salaries	249,782	(33,526)	216,256	216,256	
Legal Services	25,000	6,292	31,292	31,292	
Audit Fees	23,500	1,750	25,250	25,250	
Purchased Technical Services	7,500	7,486	14,986	14,986	
Communications/Telephone	20,000	523	20,523	20,523	
BOE Other Purchased Services	5,000	(5,000)			
Other Purchased Services (400-500 series)	45,000	(5,675)	39,325	39,325	
General Supplies	4,500	8,412	12,912	12,498	414
Miscellaneous Expenditures	7,800	(4,160)	3,640	3,640	
BOE Membership Dues and Fees	6,250	(867)	5,383	5,383	
<b>Total Supp. Services - General Administration</b>	<b>394,332</b>	<b>(24,765)</b>	<b>369,567</b>	<b>369,153</b>	<b>414</b>
<b>Support Services - School Administration:</b>					
Salaries of Principals/Assistant Principals	129,395	2,984	132,379	132,379	
Salaries of Secretarial and Clerical Assistants	82,114	(986)	81,128	81,128	
Purchased Professional and Technical Services	4,200	(4,200)			
Other Purchased Services (400-500 series)	12,500	1,598	14,098	14,098	
Supplies and Materials	3,500	(3,342)	158	158	
Other Objects	2,700	(1,806)	894	894	
<b>Total Support Services - School Administration</b>	<b>234,409</b>	<b>(5,752)</b>	<b>228,657</b>	<b>228,657</b>	
<b>Central Services:</b>					
Salaries	155,381	(16,233)	139,148	139,148	
Purchased Technical Services	18,000	10,294	28,294	28,294	
Miscellaneous Purchased Services (400-500 series)	500	2,728	3,228	4,578	(1,350)
Supplies and Materials	2,500	1,851	4,351	4,351	
Miscellaneous Expenditures	1,500	5,133	6,633	6,633	
<b>Total Central Services</b>	<b>177,881</b>	<b>3,773</b>	<b>181,654</b>	<b>183,004</b>	<b>(1,350)</b>

## MANSFIELD TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND**

Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
<b>Required Maintenance for School Facilities:</b>					
Cleaning, Repair and Maintenance Services	30,500	(7,411)	23,089	23,089	
General Supplies	10,500	(10,500)			
Other Objects	184,000	(184,000)			
<b>Total Required Maintenance for School Facilities</b>	<b>225,000</b>	<b>(201,911)</b>	<b>23,089</b>	<b>23,089</b>	
<b>Other Operations and Maintenance of Plant:</b>					
Salaries	234,711	(62,061)	172,650	236,191	(63,541)
Purchased Professional and Technical Services	9,000	4,712	13,712	13,712	
Purchased Technical Services		4,665	4,665	4,666	(1)
Cleaning, Repair and Maintenance Services	25,500	(16,084)	9,416	54,416	(45,000)
Insurance	35,000	10,623	45,623	45,623	
Miscellaneous Purchased Services	500	(500)			
General Supplies	27,500	(811)	26,689	26,689	
Energy (Natural Gas)	5,500	1,212	6,712	6,712	
Energy (Electricity)	84,000	(14,139)	69,861	69,715	146
Energy (Oil)	84,000	(19,057)	64,943	64,796	147
Other Objects	500	756	1,256	1,256	
Miscellaneous Expenditures		300	300	300	
Care/Upkeep of Grounds-Cleaning, Repair and Maintenance Services	20,500	(4,113)	16,387	16,387	
<b>Total Other Operations and Maintenance of Plant</b>	<b>526,711</b>	<b>(94,497)</b>	<b>432,214</b>	<b>540,463</b>	<b>(108,249)</b>
<b>School Resource Officer:</b>					
Purchased Professional and Technical Services	750	(750)			
<b>Total School Resource Officer</b>	<b>750</b>	<b>(750)</b>			
<b>Student Transportation Services</b>					
Salaries for Pupil Transpor.(Between Home & School)-Regular	2,500	(2,500)			
Management Fees: ESC & CTSA Trans Program	2,500	(2,500)			
Other Purchased Professional and Technical Services	17,000	(4,140)	12,860	12,860	
Aid in Lieu of Payments-Nonpublic Sch.	12,500	(11,335)	1,165	1,165	
Aid in Lieu of Payments- Charter School Students	1,200	(1,200)			
Aid in Lieu of Payments- School Choice	1,500	7,820	9,320	9,320	
Contract Services - (Between Home and School) - Vendors	258,000	59,931	317,931	317,931	
Contract Services (Other than Between Home & School)-Vendors	1,000	(1,000)			
Contract Services - (Between Home and School) - Joint Agreements	89,500	67,129	156,629	156,629	
Contr Serv (Spl. Ed. Students) - Vendors	75,000	17,519	92,519	92,519	
Contr Serv (Spl. Ed. Students) - ESC's & CTSA's	28,500	41,240	69,740	69,740	
Misc. Purchased Serv. - Transportation	32,235	(31,331)	904	904	
<b>Total Student Transportation Services</b>	<b>521,435</b>	<b>139,633</b>	<b>661,068</b>	<b>661,068</b>	

## MANSFIELD TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND

Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
<b>EMPLOYEE BENEFITS</b>					
Social Security Contributions	85,000	(1,095)	83,905	83,905	
TPAF Contributions - ERIP	32,000	(20,283)	11,717	32,126	(20,409)
Other Retirement Contributions - PERS	132,877	31,480	164,357	164,357	
Board Shared DCRP	1,500	(855)	645	645	
Unemployment Compensation	5,000	(1,406)	3,594	5,019	(1,425)
Workmen's Compensation	50,400	6,210	56,610	56,610	
Health Benefits	2,093,432	(159,919)	1,933,513	1,996,409	(62,896)
Tuition Reimbursement	22,500	(79)	22,421	22,421	
Other Employee Benefits	11,975	18,408	30,383	30,383	
Unused Sick Pay/Retiree	15,000	(15,000)			
<b>TOTAL EMPLOYEE BENEFITS</b>	<b>2,449,684</b>	<b>(142,539)</b>	<b>2,307,145</b>	<b>2,391,875</b>	<b>(84,730)</b>
On-behalf TPAF pension Contrib. (non-budgeted)				2,051,730	(2,051,730)
On-behalf TPAF PRM Contrib. (non-budgeted)				558,406	(558,406)
On-behalf TPAF pension LTD Ins. (non-budgeted)				758	(758)
Reimbursed TPAF Social Security Contrib. (non-budgeted)				421,653	(421,653)
<b>TOTAL ON-BEHALF CONTRIBUTIONS</b>				<b>3,032,547</b>	<b>(3,032,547)</b>
<b>TOTAL PERSONAL SERV.-EMPLOYEE BENEFITS</b>	<b>2,449,684</b>	<b>(142,539)</b>	<b>2,307,145</b>	<b>5,424,422</b>	<b>(3,117,277)</b>
<b>TOTAL UNDISTRIBUTED EXPENDITURES</b>	<b>5,935,970</b>	<b>(416,175)</b>	<b>5,519,795</b>	<b>8,736,507</b>	<b>(3,216,712)</b>
<b>TOTAL GENERAL CURRENT EXPENSE</b>	<b>10,578,832</b>	<b>(13,615)</b>	<b>10,565,217</b>	<b>13,874,023</b>	<b>(3,308,806)</b>
<b>CAPITAL OUTLAY</b>					
<b>Operations &amp; Maint</b>					
Operations & Maint of Plant					
Undistributed Expenditures - Instruction		6,082	6,082	6,082	
<b>Total Operations &amp; Maint</b>		<b>6,082</b>	<b>6,082</b>	<b>6,082</b>	

## MANSFIELD TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND

Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
<b>Facilities Acquisition and Construction Services</b>					
Architectural/Engineering Services	10,000		10,000		10,000
Construction Services	240,000	36,614	276,614	192,889	83,725
Debt Service Assessment SDA Funding	2,925		2,925	2,925	
<b>Total Facilities Acquisition and Construction Services</b>	<b>252,925</b>	<b>36,614</b>	<b>289,539</b>	<b>195,814</b>	<b>93,725</b>
<b>TOTAL CAPITAL OUTLAY</b>	<b>252,925</b>	<b>42,696</b>	<b>295,621</b>	<b>201,896</b>	<b>93,725</b>
Transfer to Charter School	17,798	6,579	24,377	24,377	
<b>TOTAL EXPENDITURES</b>	<b>10,849,555</b>	<b>35,660</b>	<b>10,885,215</b>	<b>14,100,296</b>	<b>(3,215,081)</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(747,195)</b>	<b>(35,660)</b>	<b>(782,855)</b>	<b>(600,691)</b>	<b>182,164</b>
<b>Other Financing Sources:</b>					
<b>Operating Transfer (In)/Out:</b>					
Transfer from Capital Projects Fund				(5,101)	5,101
Transfer to Food Service Fund - Deficit	3,500	(3,500)			-
<b>Total Other Financing Sources:</b>	<b>3,500</b>	<b>(3,500)</b>	<b>-</b>	<b>(5,101)</b>	<b>5,101</b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>(750,695)</b>	<b>(32,160)</b>	<b>(782,855)</b>	<b>(595,590)</b>	<b>177,063</b>
<b>Fund Balance, July 1</b>	<b>1,803,830</b>		<b>1,803,830</b>	<b>1,803,830</b>	
<b>Prior Period Adjustment</b>					
<b>Fund Balance, July 1 (Restated)</b>	<b>1,803,830</b>		<b>1,803,830</b>	<b>1,803,830</b>	
<b>Fund Balance, June 30</b>	<b>\$ 1,053,135</b>	<b>\$ (32,160)</b>	<b>\$ 1,020,975</b>	<b>\$ 1,208,240</b>	<b>\$ 177,063</b>

MANSFIELD TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND**

Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
<b>Recapitulation:</b>					
<b>Restricted for:</b>					
Capital Reserve				\$ 320,657	
Maintenance Reserve				301,240	
Excess Surplus				-	
Unemployment Compensation				246,962	
<b>Assigned to:</b>					
Year-End Encumbrances				20,134	
Designated for Subsequent Year's Expenditures				2,496	
<b>Unassigned:</b>					
Unrestricted Fund Balance				<u>316,751</u>	
<b>Fund Balance per Governmental Funds(Budgetary Basis)</b>				1,208,240	
<b>Reconciliation to Governmental Funds Statement(GAAP Basis):</b>					
Last State Aid Payment not recognized on GAAP basis				<u>(361,481)</u>	
<b>Fund Balance per Governmental Funds(GAAP Basis)</b>				<u>\$ 846,759</u>	

## MANSFIELD TOWNSHIP SCHOOL DISTRICT

Exhibit C-2

**BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUND**

For the Fiscal Year Ended June 30, 2024

	<b>Original Budget</b>	<b>Budget Transfers</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Final to Actual Favorable/ (Unfavorable)</b>
<b>REVENUES:</b>					
Local Sources	\$ 650	\$ 52,384	\$ 53,034	\$ 50,554	\$ (2,480)
State Sources	12,352	-	12,352	12,352	-
Federal Sources	525,823	13,891	539,714	479,951	(59,763)
<b>Total Revenues</b>	<b>538,825</b>	<b>66,275</b>	<b>605,100</b>	<b>542,857</b>	<b>(62,243)</b>
<b>EXPENDITURES:</b>					
<b>Instruction</b>					
Salaries of Teachers	65,000	(33,040)	31,960	31,960	
Other Salaries for Instruction		8,463	8,463	8,463	
Purchased Profess. & Tech. Serv.	32,510	(6,012)	26,498	2,380	24,118
Other Purchased Services	12,000	80,213	92,213	92,213	
General Supplies	135,651	(8,676)	126,975	110,350	16,625
<b>Total Instruction</b>	<b>245,161</b>	<b>40,948</b>	<b>286,109</b>	<b>245,366</b>	<b>40,743</b>
<b>Support Services</b>					
Other Salaries	35,000	710	35,710	35,710	
Personal Services-Employee Bene.	40,000	(40,000)	-	-	
Purchased Profess. & Tech Svcs	78,768	34,957	113,725	103,225	10,500
Purchased Profess. Educ. Svcs	40,789	(39,271)	1,518	1,518	
Other Purchased Services	58,446	(44,135)	14,311	14,311	
Supplies and Materials	40,661	62,561	103,222	92,222	11,000
Student Activities		49,998	49,998	49,998	
<b>Total Support Services</b>	<b>293,664</b>	<b>24,820</b>	<b>318,484</b>	<b>296,984</b>	<b>21,500</b>
<b>Total Expenditures</b>	<b>\$ 538,825</b>	<b>\$ 65,768</b>	<b>\$ 604,593</b>	<b>\$ 542,350</b>	<b>62,243</b>
<b>Total Outflows</b>	<b>\$ 538,825</b>	<b>\$ 65,768</b>	<b>\$ 604,593</b>	<b>\$ 542,350</b>	<b>\$ 62,243</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>-</b>	<b>507</b>	<b>507</b>	<b>507</b>	<b>-</b>
<b>Fund Balance Beginning</b>				11,116	
<b>Prior Period Adjustment</b>				-	
<b>Fund Balance Beginning (Restated)</b>				11,116	
<b>Fund Balance Ending</b>				<u>\$ 11,623</u>	
<b>Recapitulation:</b>					
Restricted:					
Student Activities				\$ 11,623	
Total Fund Balance				<u>\$ 11,623</u>	

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE**

For the Fiscal Year Ended June 30, 2024

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

	General Fund	Special Revenue Fund
<b>Sources/Inflows of Resources</b>		
Actual amounts (budgetary basis) "revenue"		
from the budgetary comparison schedule (Exhibits C-1 and C-2, respectively)	\$ 13,499,605	\$ 542,857
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 Encumbrances	N/A	59,642
Current Year Encumbrances	N/A	(9,540)
Adjustment for: Prior year Final State Aid Payment excluded in State Source Revenues that is considered a revenue for GAAP reporting purposes	380,311	N/A
Adjustment for: Current Year Final State Aid Payment included in State Source Revenues that is not considered a revenue for GAAP reporting purposes	(361,481)	N/A
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds. (Exhibit B-2)	<u>\$ 13,518,435</u>	<u>\$ 592,959</u>
<b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedules (Exhibits C-1 and C-2, respectively)	\$ 14,100,296	\$ 542,350
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
Prior Year Encumbrances	N/A	59,642
Current Year Encumbrances	N/A	(9,540)
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.	N/A	N/A
Net transfers (outflows) to general fund	N/A	N/A
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (Exhibit B-2)	<u>\$ 14,100,296</u>	<u>\$ 592,452</u>

**MANSFIELD TOWNSHIP SCHOOL DISTRICT**  
**Required Supplementary Information - Part III**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Last Ten Fiscal Years**

**Exhibit L-3**

**Teachers' Pension and Annuity Fund (TPAF)**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's proportion of the net pension liability (asset) **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
District's proportionate share of the net pension liability (asset) **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
State's proportionate share of the net pension liability (asset) associated with the District	\$ 23,812,414	\$ 23,353,128	\$ 21,546,823	\$ 30,270,294	\$ 29,061,662	\$ 29,979,673	\$ 31,413,247	\$ 36,850,083	\$ 29,595,038	\$ 25,283,200
Total	\$ 23,812,414	\$ 23,353,128	\$ 21,546,823	\$ 30,270,294	\$ 29,061,662	\$ 29,979,673	\$ 31,413,247	\$ 36,850,083	\$ 29,595,038	\$ 25,283,200
District's covered employee payroll	\$ 5,811,565	\$ 5,631,476	\$ 5,397,093	\$ 5,082,709	\$ 4,737,450	\$ 4,946,272	\$ 5,045,431	\$ 4,944,527	\$ 4,784,251	\$ 4,818,878
District's proportionate share of the of the net pension liability (asset) as a percentage of its covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%

\*\* Note: TPAF is a special funding situation as defined by GASB Statement No. 68 in which the State of New Jersey is 100% responsible for contributions to the plan. Since the district (employer) does not contribute directly to the plan there is no net pension liability to report in the financial statements of the district.

**Exhibit L-1**

**Public Employees' Retirement System (PERS)**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's proportion of the net pension liability (asset)	0.012297%	0.011172%	0.010790%	0.010233%	0.010438%	0.009826%	0.008645%	0.008744%	0.008195%	0.007739%
District's proportionate share of the net pension liability (asset)	\$ 1,781,189	\$ 1,685,993	\$ 1,278,293	\$ 1,668,707	\$ 1,880,806	\$ 1,934,632	\$ 2,012,400	\$ 2,589,607	\$ 2,350,829	\$ 1,448,880
District's covered employee payroll	\$ 721,332	\$ 898,612	\$ 818,607	\$ 801,256	\$ 751,552	\$ 710,933	\$ 684,224	\$ 580,461	\$ 568,546	\$ 557,526
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	246.93%	187.62%	156.15%	208.19%	250.26%	272.13%	294.11%	446.13%	413.48%	259.88%
Plan fiduciary net position as a percentage of the total pension liability (Local)	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%



**MANSFIELD TOWNSHIP SCHOOL DISTRICT**  
**Required Supplementary Information - Part III**  
**Schedule of District Contributions**  
**Last Ten Fiscal Years**

**Exhibit L-2**

**Teachers' Pension and Annuity Fund (TPAF)**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions in relation to the contractually required contribution **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contribution deficiency (excess)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
District's covered employee payroll	\$ 5,811,565	\$ 5,920,401	\$ 5,631,476	\$ 5,397,093	\$ 5,082,709	\$ 4,737,450	\$ 4,946,272	\$ 5,045,431	\$ 4,944,527	\$ 4,784,251
Contributions as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

\*\* Note: TPAF is a special funding situation as defined by GASB Statement No. 68 in which the State of New Jersey is 100% responsible for contributions to the plan. The district (employer) does not contribute to the plan.

**Public Employees' Retirement System (PERS)**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 164,357	\$ 140,883	\$ 126,369	\$ 111,942	\$ 101,533	\$ 97,734	\$ 80,086	\$ 77,762	\$ 70,456	\$ 63,796
Contributions in relation to the contractually required contribution	(164,357)	(140,883)	(126,369)	(111,942)	(101,533)	(97,734)	(80,086)	(77,762)	(70,456)	(63,796)
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
District's covered employee payroll	\$ 721,332	\$ 843,533	\$ 898,612	\$ 818,607	\$ 801,526	\$ 751,552	\$ 710,933	\$ 684,224	\$ 580,461	\$ 568,546
Contributions as a percentage of covered-employee payroll	22.79%	16.70%	14.06%	13.67%	12.67%	13.00%	11.26%	11.36%	12.14%	11.22%

**MANSFIELD TOWNSHIP SCHOOL DISTRICT**  
**Required Supplementary Information - Part III**  
**Schedule of Changes in the State's Total OPEB Liability and Related Ratios**  
**Last Ten Fiscal Years \***

**Exhibit M-1**

**State Health Benefit Local Education Retired Employees Plan (TPAF and PERS)**

<b>The State of New Jersey's Total OPEB Liability</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Service Cost	\$ 2,136,235,476	\$ 2,770,618,025	\$ 3,217,184,264	\$ 1,790,973,822	\$ 1,734,404,850	\$ 1,984,642,729	\$ 2,391,878,884	\$ 1,723,999,319		
Interest	1,844,113,951	1,342,187,139	1,556,661,679	1,503,341,357	1,827,787,206	1,970,236,232	1,699,441,736	1,823,643,792		
Change in Benefit Terms	-	-	(63,870,842)							
Differences Between Expected and Actual Experience	(980,424,863)	1,399,200,736	(11,385,071,658)	11,544,750,637	(7,323,140,818)	-5002065740				
Benefit Payments	-	(13,586,368,097)	59,202,305	(1,180,515,618)	(1,280,958,373)	(1,232,987,247)	(1,242,412,566)	(1,223,298,019)		
Contributions from Members	(1,390,258,754)	(1,329,476,059)	-	35,781,384	37,971,171	42,614,005	45,748,749	46,273,747		
Changes of Assumptions or other inputs	105,539,463	42,650,252	(1,186,417,186)	12,386,549,981	622,184,027	(5,291,448,855)	(7,086,599,129)	8,611,513,521		
<b>Net change in total OPEB liability</b>	<b>1,715,205,273</b>	<b>(9,361,188,004)</b>	<b>(7,802,311,638)</b>	<b>26,080,881,563</b>	<b>(4,381,751,937)</b>	<b>(7,529,008,876)</b>	<b>(4,191,942,326)</b>	<b>10,982,132,360</b>		
<b>Total OPEB Liability - Beginning</b>	<b>\$ 50,646,462,966</b>	<b>\$ 60,007,650,970</b>	<b>\$ 67,809,962,608</b>	<b>\$ 41,729,081,045</b>	<b>\$ 46,110,832,982</b>	<b>\$ 53,639,841,858</b>	<b>\$ 57,831,784,184</b>	<b>\$ 46,849,651,824</b>		
<b>Total OPEB Liability - Ending</b>	<b>\$ 52,361,668,239</b>	<b>\$ 50,646,462,966</b>	<b>\$ 60,007,650,970</b>	<b>\$ 67,809,962,608</b>	<b>\$ 41,729,081,045</b>	<b>\$ 46,110,832,982</b>	<b>\$ 53,639,841,858</b>	<b>\$ 57,831,784,184</b>		
<b>The State of New Jersey's total OPEB liability **</b>	<b>\$ 52,361,668,239</b>	<b>\$ 50,646,462,966</b>	<b>\$ 60,007,650,970</b>	<b>\$ 67,809,962,608</b>	<b>\$ 41,729,081,045</b>	<b>\$ 46,110,832,982</b>	<b>\$ 53,639,841,858</b>	<b>\$ 57,831,784,184</b>		
<b>The State of New Jersey's OPEB liability attributable to the District **</b>	<b>\$ 24,500,168</b>	<b>\$ 23,788,154</b>	<b>\$ 27,255,562</b>	<b>\$ 30,416,676</b>	<b>\$ 18,322,541</b>	<b>\$ 20,947,273</b>	<b>\$ 24,703,270</b>	<b>\$ 20,947,273</b>		
<b>The District's proportionate share of the total OPEB liability</b>	<b>Zero</b>	<b>Zero</b>	<b>Zero</b>	<b>Zero</b>	<b>Zero</b>	<b>Zero</b>	<b>Zero</b>	<b>Zero</b>		
<b>District's covered employee payroll</b>	<b>\$ 6,532,897</b>	<b>\$ 6,530,088</b>	<b>\$ 6,215,700</b>	<b>\$ 5,884,235</b>	<b>\$ 5,489,002</b>	<b>\$ 5,657,205</b>	<b>\$ 5,729,655</b>	<b>\$ 5,524,988</b>		
<b>Total District's OPEB liability as a percentage of its covered-employee payroll</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>		
<b>District's contribution</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>		
<b>State's covered employee payroll ***</b>	<b>\$ 15,314,749,297</b>	<b>\$ 14,753,355,408</b>	<b>\$ 14,425,669,769</b>	<b>\$ 14,267,738,657</b>	<b>\$ 13,929,083,479</b>	<b>\$ 13,640,275,833</b>	<b>\$ 13,493,400,208</b>	<b>\$ 13,493,400,208</b>		
<b>Total State's OPEB liability as a percentage of its covered-employee payroll</b>	<b>341.90%</b>	<b>343.29%</b>	<b>415.98%</b>	<b>475.27%</b>	<b>299.58%</b>	<b>338.05%</b>	<b>397.53%</b>	<b>428.59%</b>		

\*\* Note: Other Post Employment Benefits (OPEB) for employees of the Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS) is considered a special funding situation as defined by GASB Statement No. 75 in which the State of New Jersey is 100% responsible for contributions to the health insurance plan. The district (employer) does not contribute to the plan and the district's OPEB liability is zero.

\*\*\* Covered payroll for the Measurement Period ending June 30, 2022 and June 30, 2023 is based on the payroll on the June 30, 2021 and June 30, 2022 census data, respectively

\* - Until a full ten year trend is compiled, information will be presented for those years for which information is available.

MANSFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION-PART III**  
**Pension and Other Post Employment Benefits (OPEB) Schedules**

For the Fiscal Year Ended June 30, 2024

**Teachers' Pension and Annuity Fund (TPAF)**

**Pension Schedules**

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

Changes of assumptions. 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.

**OPEB Schedules**

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASBS No. 75.

Changes of assumptions. Changes of assumptions and other inputs reflects a change in the discount rate from 3.54 percent in 2022 to 3.65 percent in 2023.

**Public Employees' Retirement System (PERS)**

**Pension Schedules**

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

Changes of assumptions. 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.

**OPEB Schedules**

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASBS No. 75.

Changes of assumptions. Changes of assumptions and other inputs reflects a change in the discount rate from 3.54 percent in 2022 to 3.65 percent in 2023.

## **OTHER SUPPLEMENTARY INFORMATION**

<p><b>SPECIAL REVENUE FUND DETAIL STATEMENTS</b></p>
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The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

## MANSFIELD TOWNSHIP SCHOOL DISTRICT

Exhibit E-1

**SPECIAL REVENUE FUND**  
**COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS**

For the Fiscal Year Ended June 30, 2024

	Title I Part A	Title II Part A	Title III	Title IV	IDEA Basic	IDEA Preschool	ARP ESSER III	ARP Beyond Sch. Day	REAP	SDA Emerg. Needs & Capital	Local Grants	Student Activity	Totals
<b>REVENUES</b>													
Local Sources											\$ 49	\$ 50,505	\$ 50,554
State Sources										\$ 12,352			12,352
Federal Sources	\$ 99,309	\$ 15,768	\$ 11,502	\$ 10,000	\$ 173,289	\$ 787	\$ 103,350	\$ 17,500	\$ 48,446				479,951
<b>TOTAL REVENUES</b>	<b>99,309</b>	<b>15,768</b>	<b>11,502</b>	<b>10,000</b>	<b>173,289</b>	<b>787</b>	<b>103,350</b>	<b>17,500</b>	<b>48,446</b>	<b>12,352</b>	<b>49</b>	<b>50,505</b>	<b>542,857</b>
<b>EXPENDITURES:</b>													
<b>Instruction:</b>													
Salaries of Teachers	29,960			2,000									31,960
Other Salaries for Instruction					8,463								8,463
Purchased Profess. & Tech. Serv.	-				2,380								2,380
Other Purchased Services (incls Tuition)	285	2,585			89,343								92,213
General Supplies	60,505		11,502	6,547	11,817	787	19,143				49		110,350
<b>Total Instruction</b>	<b>90,750</b>	<b>2,585</b>	<b>11,502</b>	<b>8,547</b>	<b>112,003</b>	<b>787</b>	<b>19,143</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>49</b>	<b>-</b>	<b>245,366</b>
<b>Support Services:</b>													
Other Salaries							35,710						35,710
Personal Services-Employee Bene.													-
Purchased Profess. & Tech Svcs	5,940	13,183			60,902		23,200						103,225
Purchased Profess. Educ. Svcs				1,453	65								1,518
Other Purchased Services							11,685		2,626				14,311
Supplies and Materials	2,619				319		13,612	17,500	45,820	12,352			92,222
Student Activities												49,998	49,998
<b>Total Support Services</b>	<b>8,559</b>	<b>13,183</b>	<b>-</b>	<b>1,453</b>	<b>61,286</b>	<b>-</b>	<b>84,207</b>	<b>17,500</b>	<b>48,446</b>	<b>12,352</b>	<b>-</b>	<b>49,998</b>	<b>296,984</b>
<b>Facilities Acq. &amp; Contruction Services:</b>													
Buildings													-
Instructional Equipment													-
<b>Total Facilities Acq. &amp; Contruction Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 99,309</b>	<b>\$ 15,768</b>	<b>\$ 11,502</b>	<b>\$ 10,000</b>	<b>\$ 173,289</b>	<b>\$ 787</b>	<b>\$ 103,350</b>	<b>\$ 17,500</b>	<b>\$ 48,446</b>	<b>\$ 12,352</b>	<b>\$ 49</b>	<b>\$ 49,998</b>	<b>\$ 542,350</b>
<b>Total Outflows</b>	<b>\$ 99,309</b>	<b>\$ 15,768</b>	<b>\$ 11,502</b>	<b>\$ 10,000</b>	<b>\$ 173,289</b>	<b>\$ 787</b>	<b>\$ 103,350</b>	<b>\$ 17,500</b>	<b>\$ 48,446</b>	<b>\$ 12,352</b>	<b>\$ 49</b>	<b>\$ 49,998</b>	<b>\$ 542,350</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>507</b>	<b>507</b>
<b>Fund Balance Beginning</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,116</b>	<b>11,116</b>
<b>Prior Period Adjustment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance Beginning (Restated)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,116</b>	<b>11,116</b>
<b>Fund Balance Ending</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$ 11,623</b>	<b>\$ 11,623</b>

<b>CAPITAL PROJECTS FUND DETAIL STATEMENTS</b>
--

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

MANSFIELD TOWNSHIP SCHOOL DISTRICT

Exhibit F-1

**CAPITAL PROJECTS FUND  
SUMMARY STATEMENT OF PROJECT EXPENDITURES**

For the Fiscal Year Ended June 30, 2024

	<b>Original Date</b>	<b>Original Appropriations</b>	<b>Revised Appropriations</b>	<b>Expenditures to Date</b>		<b>Unexpended Balance June 30, 2024</b>
				<b>Prior Years</b>	<b>Current Year</b>	
Renovations to the Mansfield School Building	3/11/14	\$ 6,685,000	\$ 6,679,899	\$ 6,679,899		-
		<u>\$ 6,685,000</u>	<u>\$ 6,679,899</u>	<u>\$ 6,679,899</u>	<u>-</u>	<u>-</u>
Fund Balances, June 30, 2024						<u>-</u>



MANSFIELD TOWNSHIP SCHOOL DISTRICT

Exhibit F-2

**CAPITAL PROJECTS FUND**  
**SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE-BUDGETARY BASIS**

For the Fiscal Year Ended June 30, 2024

**Revenues and Other Financing**

**Sources/(Uses):**

Transfer to Capital Reserve - General Fund	\$ (5,101)
Total Revenues	<u>(5,101)</u>
Excess(deficiency) of revenues over(under) expenditures	(5,101)
Fund Balance - Beginning	<u>\$ 5,101</u>
Fund Balance - Ending	<u><u>-</u></u>

MANSFIELD TOWNSHIP SCHOOL DISTRICT

Exhibit F-2a

**CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS-BUDGETARY BASIS  
RENOVATIONS TO MANSFIELD SCHOOL BUILDING**

From Inception and for the Fiscal Year Ended June 30, 2024

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Costs</u>
<b>Revenues and Other Financing</b>				
<b>Sources</b>				
Transfer to Capital Reserve		\$ (5,101)	\$ (5,101)	\$ (5,101)
Bond Proceeds	\$ 6,685,000		6,685,000	6,685,000
Total Revenues	6,685,000	(5,101)	6,679,899	6,679,899
<b>Expenditures and Other Financing</b>				
<b>Sources</b>				
Purchased Professional and Technical Services	481,920		481,920	481,920
Construction Services	6,197,979		6,197,979	6,197,979
Total Expenditures	6,679,899	-	6,679,899	6,679,899
Excess(deficiency) of revenues over(under) expenditures	\$ 5,101	\$ (5,101)	-	
Project Fund Balance, 6/30/2024			-	

**Additional project information:**

Project Number	2970-050-14-1000
Grant Date	N/A
Bond Authorization Date	3/14/2014
Bonds Authorized	\$6,685,350
Bonds Issued	\$6,685,000
Original Authorized Cost	\$6,685,350
Additional Authorized Cost	-\$5,451
Revised Authorized Cost	\$6,679,899
Percentage Increase over Original Authorized Cost	-0.1%
Percentage Completion	100.0%

<b>PROPRIETARY FUND DETAIL STATEMENTS</b>
---

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

**Food Services Fund** - This fund provides for the operation of food services in all schools within the school district.

**Before and After Childcare Fund** - This fund provides for the operation of before school and after school hours childcare within the school district.

**Summer Recreation Fund** - This fund provides for the operation of summer recreations within the school district.

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

<b>FIDUCIARY FUND DETAIL STATEMENTS</b>
---

Fiduciary Funds are defined by GASB No. 84 as four funds. (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds.

N/A

## **LONG-TERM DEBT SCHEDULES**

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

MANSFIELD TOWNSHIP SCHOOL DISTRICT

Exhibit I-1

LONG TERM DEBT  
SCHEDULE OF SERIAL BONDS  
For the Fiscal Year Ended June 30, 2024

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance</u>	<u>Retired</u>	<u>Balance</u>
			<u>Date</u>	<u>Amount</u>		<u>7/1/2023</u>		<u>6/30/2024</u>
Refunding school bonds of 2015	7/15/2015	\$ 6,685,000	7/15/2024	\$ 335,000	3.000%	\$ 4,550,000	\$ 325,000	\$ 4,225,000
			7/15/2025	350,000	3.000%			
			7/15/2026	365,000	3.000%			
			7/15/2027	375,000	3.000%			
			7/15/2028	400,000	3.000%			
			7/15/2029	400,000	3.000%			
			7/15/2030	400,000	3.125%			
			7/15/2031	400,000	3.250%			
			7/15/2032	400,000	3.250%			
			7/15/2033	400,000	3.500%			
			7/15/2034	400,000	3.500%	-	-	-
						<u>\$ 4,550,000</u>	<u>\$ 325,000</u>	<u>\$ 4,225,000</u>

## MANSFIELD TOWNSHIP SCHOOL DISTRICT

Exhibit I-3

**BUDGETARY COMPARISON SCHEDULE  
DEBT SERVICE FUND**

For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative) Final to Actual</u>
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 289,300	-	\$ 289,300	\$ 289,300	-
State Sources:					
Debt Service Aid Type II	173,826	-	173,826	173,826	-
<b>TOTAL REVENUES</b>	<b>463,126</b>	<b>-</b>	<b>463,126</b>	<b>463,126</b>	<b>-</b>
<b>EXPENDITURES:</b>					
Regular Debt Service:					
Interest	138,126	-	138,126	138,126	-
Redemption of Principal	325,000		325,000	325,000	-
Total Regular Debt Service	463,126		463,126	463,126	-
<b>TOTAL EXPENDITURES</b>	<b>463,126</b>		<b>463,126</b>	<b>463,126</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	-	-	-	-	-
Fund Balance, July 1	1		1	1	-
<b>Fund Balance, June 30</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>-</b>

Mansfield Township School District  
**Statistical Section**

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends (J-1 thru J-5)</b> These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.	94-99
<b>Revenue Capacity (J-6 thru J-9)</b> These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.	100-103
<b>Debt Capacity (J-10 thru J-13)</b> These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	104-107
<b>Demographic and Economic Information (J-14 and J-15)</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	108-109
<b>Operating Information (J-16 thru J-20)</b> These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.	110-114

**Sources:**

Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports (ACFR) for the relevant year.



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

**Exhibit J-1**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities										
Invested in capital assets, net of related debt	\$ 4,454,564	\$ 4,611,260	\$ 4,722,320	\$ 4,896,448	\$ 5,111,990	\$ 4,429,195	\$ 4,434,731	\$ 4,530,866	\$ 4,367,560	\$ 4,261,891
Restricted	1,281,189	1,357,097	1,174,072	1,337,416	1,532,390	1,931,941	1,308,699	1,266,786	1,259,597	882,978
Unrestricted	(1,686,960)	(1,763,170)	(1,931,879)	(2,216,084)	(2,047,472)	(2,003,595)	(1,852,785)	(1,991,971)	(1,818,983)	(1,962,551)
Total governmental activities net position	\$ 4,048,793	\$ 4,205,187	\$ 3,964,513	\$ 4,017,780	\$ 4,596,908	\$ 4,357,541	\$ 3,890,645	\$ 3,805,681	\$ 3,808,174	\$ 3,182,318
Business-type activities										
Invested in capital assets, net of related debt	\$ 5,866	\$ 19,434	\$ 16,890	\$ 14,347	\$ 24,999	\$ 21,922	\$ 19,459	\$ 16,996	\$ 14,533	\$ 12,070
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	109,193	121,313	162,489	183,811	164,621	155,648	144,889	396,726	411,380	409,953
Total business-type activities net position	\$ 115,059	\$ 140,747	\$ 179,379	\$ 198,158	\$ 189,620	\$ 177,570	\$ 164,348	\$ 413,722	\$ 425,913	\$ 422,023
District-wide										
Invested in capital assets, net of related debt	\$ 4,460,430	\$ 4,630,694	\$ 4,739,210	\$ 4,910,795	\$ 5,136,989	\$ 4,451,117	\$ 4,454,190	\$ 4,547,862	\$ 4,382,093	\$ 4,273,961
Restricted	1,281,189	1,357,097	1,174,072	1,337,416	1,532,390	1,931,941	1,308,699	1,266,786	1,259,597	882,978
Unrestricted	(1,577,767)	(1,641,857)	(1,769,390)	(2,032,273)	(1,882,851)	(1,847,947)	(1,707,896)	(1,595,245)	(1,407,603)	(1,552,598)
Total district net position	\$ 4,163,852	\$ 4,345,934	\$ 4,143,892	\$ 4,215,938	\$ 4,786,528	\$ 4,535,111	\$ 4,054,993	\$ 4,219,403	\$ 4,234,087	\$ 3,604,341

Source: ACFR Schedule A-1

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

**Exhibit J-2**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Expenses</b>										
Governmental activities										
Instruction										
Regular	\$ 5,492,303	\$ 6,142,056	\$ 6,724,873	\$ 7,341,676	\$ 6,837,398	\$ 7,015,335	\$ 7,712,198	\$ 7,284,100	\$ 6,958,888	\$ 5,331,761
Special education	1,692,648	1,936,241	2,299,647	2,577,511	2,506,982	2,718,966	3,141,598	2,946,129	2,927,409	2,099,233
Other special education	439,260	444,814	405,011	339,438	321,254	486,004	459,067	474,029	678,821	387,506
Support Services:										
Tuition	197,323	267,121	93,565	131,965	-	-	30,928	42,341	51,418	14,388
Student & instruction related services	1,475,824	1,454,791	1,892,981	1,888,328	1,804,425	2,000,607	2,699,161	2,676,505	2,971,198	2,340,667
General administrative services	828,075	841,402	913,959	898,506	856,416	931,030	958,034	974,313	837,112	795,142
School administrative services	252,182	310,631	316,344	322,476	307,024	405,513	392,325	346,983	380,365	333,051
Business administrative services										
Plant operations and maintenance	663,945	684,436	835,471	1,024,170	770,838	592,507	649,515	631,296	556,038	875,016
Pupil transportation	662,703	630,343	620,763	621,589	636,734	593,327	600,861	693,768	845,712	951,981
Non-Budgeted Contributions										
Special Schools										
Charter Schools	16,546	-	7,280	8,089	45,531	9,929	-	14,030	11,810	
Interest on long-term debt	185,288	202,282	189,315	177,762	171,172	164,309	157,195	149,709	140,485	130,754
Unallocated depreciation	-	-	-	-	-	-	-	-	-	554,925
Total governmental activities expenses	<u>11,906,097</u>	<u>12,914,117</u>	<u>14,299,209</u>	<u>15,331,510</u>	<u>14,257,774</u>	<u>14,917,527</u>	<u>16,800,882</u>	<u>16,233,203</u>	<u>16,359,256</u>	<u>13,814,424</u>
Business-type activities:										
Food service	221,620	211,802	224,939	239,862	246,619	189,703	153,429	278,103	355,088	307,742
Child Care	181,892	192,505	164,181	151,461	163,661	83,298	3,903	114,192	218,204	166,329
Summer Recreation Program	17,176	12,160	16,793	13,961	12,987	14,877	-	2,880	4,450	-
Total business-type activities expense	<u>420,688</u>	<u>416,467</u>	<u>405,913</u>	<u>405,284</u>	<u>423,267</u>	<u>287,878</u>	<u>157,332</u>	<u>395,175</u>	<u>577,742</u>	<u>474,071</u>
Total district expenses	<u>\$ 12,326,785</u>	<u>\$ 13,330,584</u>	<u>\$ 14,705,122</u>	<u>\$ 15,736,794</u>	<u>\$ 14,681,041</u>	<u>\$ 15,205,405</u>	<u>\$ 16,958,214</u>	<u>\$ 16,628,378</u>	<u>\$ 16,936,998</u>	<u>\$ 14,288,495</u>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
Instruction (regular & special education)	\$ 45,176	\$ 53,586	\$ 55,459	\$ 52,335	\$ 64,932	\$ 59,749	\$ 67,325	\$ 76,018	\$ 99,339	\$ 42,000
Business and other support services	206,500	186,640	190,707	186,507	189,799	184,496	210,758	214,027	230,224	50,505
Operating grants and contributions	6,483,131	7,230,107	8,208,247	9,380,304	8,714,548	8,210,484	9,959,277	9,585,855	9,521,339	6,307,715
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	<u>6,734,807</u>	<u>7,470,333</u>	<u>8,454,413</u>	<u>9,619,146</u>	<u>8,969,279</u>	<u>8,454,729</u>	<u>10,237,360</u>	<u>9,875,900</u>	<u>9,850,902</u>	<u>6,400,220</u>
Business-type activities:										
Charges for services										
Food service	118,658	132,309	130,428	129,809	121,205	78,991	5,087	30,130	121,287	122,632
Child care	163,609	174,774	166,404	153,489	141,779	85,741	4,756	106,195	122,617	139,255
Summer Recreation Program	17,032	11,820	18,485	14,480	12,860	17,165	-	-	-	-
Operating grants and contributions	107,804	123,179	129,034	124,920	137,302	93,728	134,261	506,096	341,328	208,294
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business type activities program revenues	<u>407,103</u>	<u>442,082</u>	<u>444,351</u>	<u>422,698</u>	<u>413,146</u>	<u>275,625</u>	<u>144,104</u>	<u>642,421</u>	<u>585,232</u>	<u>470,181</u>
Total district program revenues	<u>\$ 7,141,910</u>	<u>\$ 7,912,415</u>	<u>\$ 8,898,764</u>	<u>\$ 10,041,844</u>	<u>\$ 9,382,425</u>	<u>\$ 8,730,354</u>	<u>\$ 10,381,464</u>	<u>\$ 10,518,321</u>	<u>\$ 10,436,134</u>	<u>\$ 6,870,401</u>
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$ (5,171,290)	\$ (5,443,784)	\$ (5,844,796)	\$ (5,712,364)	\$ (5,288,495)	\$ (6,462,798)	\$ (6,563,522)	\$ (6,357,303)	\$ (6,508,354)	\$ (7,414,204)
Business-type activities	(13,585)	25,615	38,438	17,414	(10,121)	(12,253)	(13,228)	247,246	7,490	(3,890)
Total district-wide net expense	<u>\$ (5,184,875)</u>	<u>\$ (5,418,169)</u>	<u>\$ (5,806,358)</u>	<u>\$ (5,694,950)</u>	<u>\$ (5,298,616)</u>	<u>\$ (6,475,051)</u>	<u>\$ (6,576,750)</u>	<u>\$ (6,110,057)</u>	<u>\$ (6,500,864)</u>	<u>\$ (7,418,094)</u>

Continued

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

**Exhibit J-2**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 4,927,038	\$ 5,268,633	\$ 5,334,006	\$ 5,440,686	\$ 5,549,498	\$ 5,660,488	\$ 5,773,698	\$ 5,979,230	\$ 6,095,259	\$ 6,217,164
Taxes levied for debt service	343,200	302,237	271,055	273,788	276,172	278,204	280,077	284,880	285,879	289,300
Investment earnings	11,596	7,945	8,726	20,815	41,943	24,835	2,368	486	2,877	22,174
Miscellaneous income	23,949	21,363	9,996	30,342	10	3,904	40,483	9,867	131,282	259,710
Transfers	-	-	-	-	-	-	-	(2,125)	(4,450)	-
Loss of Disposal of capital assets			(19,661)							
Total governmental activities	<u>5,305,783</u>	<u>5,600,178</u>	<u>5,604,122</u>	<u>5,765,631</u>	<u>5,867,623</u>	<u>5,967,431</u>	<u>6,096,626</u>	<u>6,272,338</u>	<u>6,510,847</u>	<u>6,788,348</u>
Business-type activities:										
Investment earnings	43	73	194	547	982	203	6	3	-	-
Transfers	-	-	-	-	-	-	-	2,125	4,450	-
Miscellaneous Income				818	601				251	-
Total business-type activities	<u>43</u>	<u>73</u>	<u>194</u>	<u>1,365</u>	<u>1,583</u>	<u>203</u>	<u>6</u>	<u>2,128</u>	<u>4,701</u>	<u>-</u>
Total district-wide	<u>\$ 5,305,826</u>	<u>\$ 5,600,251</u>	<u>\$ 5,604,316</u>	<u>\$ 5,766,996</u>	<u>\$ 5,869,206</u>	<u>\$ 5,967,634</u>	<u>\$ 6,096,632</u>	<u>\$ 6,274,466</u>	<u>\$ 6,515,548</u>	<u>\$ 6,788,348</u>
<b>Change in Net Position</b>										
Governmental activities	\$ 134,493	\$ 156,394	\$ (240,674)	\$ 53,267	\$ 579,128	\$ (495,367)	\$ (466,896)	\$ (84,965)	\$ 2,493	\$ (625,856)
Business-type activities	(13,542)	25,688	38,632	18,779	(8,538)	(12,050)	(13,222)	249,374	12,191	(3,890)
Total district	<u>\$ 120,951</u>	<u>\$ 182,082</u>	<u>\$ (202,042)</u>	<u>\$ 72,046</u>	<u>\$ 570,590</u>	<u>\$ (507,417)</u>	<u>\$ (480,118)</u>	<u>\$ 164,409</u>	<u>\$ 14,684</u>	<u>\$ (629,746)</u>

Source: ACFR Schedule A-2

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

**Exhibit J-3**

	2015	2016	2017	2018	Fiscal Year Ending June 30,		2021	2022	2023	2024
					2019	2020				
General Fund										
Reserved	\$ 1,727,716	\$ 1,678,482	\$ 1,638,433	\$ 1,393,053	\$ 1,766,234	\$ 2,276,709	\$ 1,894,633	\$ 1,417,304	\$ 1,551,334	\$ 891,489
Unreserved	(82,951)	(62,332)	(121,938)	44,457	80,140	60,840	(33,817)	22,265	(127,815)	(44,730)
Total general fund	<u>\$ 1,644,765</u>	<u>\$ 1,616,150</u>	<u>\$ 1,516,495</u>	<u>\$ 1,437,510</u>	<u>\$ 1,846,374</u>	<u>\$ 2,337,549</u>	<u>\$ 1,860,816</u>	<u>\$ 1,439,569</u>	<u>\$ 1,423,519</u>	<u>\$ 846,759</u>
All Other Governmental Funds										
Reserved										
Unreserved, reported in:										
Special revenue fund						\$ 9,280	\$ 11,273	\$ 12,468	\$ 11,116	\$ 11,623
Capital projects fund	\$ 5,555,421	\$ 2,011,362	\$ 172,377	\$ 9,811	\$ 6,279	5,101	5,101	5,101	5,101	-
Debt service fund	91	-	1	1	1	1	1	1	1	1
Trust and agency fund										
Total all other governmental funds	<u>\$ 5,555,512</u>	<u>\$ 2,011,362</u>	<u>\$ 172,378</u>	<u>\$ 9,812</u>	<u>\$ 6,280</u>	<u>\$ 14,382</u>	<u>\$ 16,375</u>	<u>\$ 17,570</u>	<u>\$ 16,218</u>	<u>\$ 11,624</u>

Source: ACFR Schedule B-1

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

**Exhibit J-4**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<b>Revenues</b>										
Tax levy	\$ 5,270,238	\$ 5,570,870	\$ 5,605,061	\$ 5,714,474	\$ 5,825,670	\$ 5,938,692	\$ 6,053,775	\$ 6,264,110	\$ 6,381,138	\$ 6,506,464
Tuition charges	44,247	51,934	50,362	52,061	64,601	59,123	65,149	58,249	74,994	42,000
Interest earnings	11,596	7,845	8,726	20,815	41,943	24,835	2,368	486	2,877	22,174
Miscellaneous	20,151	16,902	10,285	30,342	10	3,904	42,659	27,636	157,961	310,215
State sources	4,708,813	5,087,754	5,082,814	5,482,573	5,816,156	5,915,509	6,135,900	6,900,179	7,121,686	7,139,448
Federal sources	408,834	333,942	354,745	326,113	332,391	335,930	598,942	780,628	1,095,765	554,219
Total revenue	10,463,879	11,069,247	11,111,993	11,626,378	12,080,771	12,277,993	12,898,793	14,031,288	14,834,421	14,574,520
<b>Expenditures</b>										
<b>Instruction</b>										
Regular Instruction	3,169,239	3,442,085	3,277,362	3,214,869	3,204,751	3,235,545	3,251,553	3,234,431	3,441,881	3,674,416
Special education instruction	958,384	1,044,988	1,106,680	1,147,400	1,169,383	1,293,150	1,423,379	1,411,092	1,482,621	1,457,734
Other special instruction	207,966	202,036	146,664	154,907	102,598	153,391	157,367	164,090	169,530	269,089
Other instruction	-	-	-	-	-	-	-	-	-	-
<b>Support Services:</b>										
Tuition	31,743	114,762	12,806	36,966	-	-	30,928	42,341	51,418	9,991
Student & instruction related services	811,811	852,639	887,392	840,440	874,196	955,223	1,223,726	1,239,219	1,245,158	1,625,389
General administrative services	278,043	293,201	288,075	326,421	367,304	349,251	370,305	399,499	380,799	552,157
School administrative services	340,300	347,150	365,208	342,251	355,777	409,717	416,564	412,176	415,558	228,657
Plant operations and maintenance	547,212	547,386	653,208	820,491	591,462	489,540	498,869	500,585	459,807	563,552
Pupil transportation	456,563	442,351	434,265	438,216	450,829	396,727	391,718	480,460	615,488	661,068
Unallocated employee benefits	2,627,493	2,810,761	3,152,699	3,392,514	3,694,323	3,842,518	4,316,454	4,953,234	4,951,583	5,424,422
Transfer to Charter School	16,546	-	-	8,089	45,531	9,929	-	14,030	11,810	24,377
Special Revenue	375,928	324,684	326,421	302,845	304,523	311,432	574,754	777,419	1,115,276	-
Capital Outlay	59,463	189,056	124,024	238,735	66,193	138,827	266,628	361,665	45,869	201,896
Capital Projects	1,246,139	3,544,059	1,838,985	162,566	3,532	1,178	-	-	-	-
<b>Debt service:</b>										
Principal	415,000	200,000	245,000	255,000	265,000	275,000	285,000	300,000	310,000	325,000
Interest and other charges	17,969	286,764	191,843	186,219	180,037	173,288	166,288	158,975	150,575	138,126
Total expenditures	11,559,799	14,641,922	13,050,632	11,867,929	11,675,439	12,034,716	13,373,533	14,449,216	14,847,373	15,155,874
Excess (Deficiency) of revenues over (under) expenditures	(1,095,920)	(3,572,675)	(1,938,639)	(241,551)	405,332	243,277	(474,740)	(417,928)	(12,952)	(581,354)
<b>Other Financing Sources (uses)</b>										
Proceeds from new bond issue & premium	6,801,560	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	(2,125)	(4,450)	-
Total other financing sources (uses)	6,801,560	-	-	-	-	-	-	(2,125)	(4,450)	-
Net change in fund balances	\$ 5,705,640	\$ (3,572,675)	\$ (1,938,639)	\$ (241,551)	\$ 405,332	\$ 243,277	\$ (474,740)	\$ (420,053)	\$ (17,402)	\$ (581,354)
Debt service as a percentage of noncapital expenditures	4.41%	4.67%	4.10%	4.00%	3.99%	3.92%	3.57%	3.37%	3.21%	3.1%

Source: ACFR Schedule B-2

MANSFIELD TOWNSHIP SCHOOL DISTRICT

GENERAL FUND OTHER LOCAL REVENUE BY SOURCE

LAST TEN FISCAL YEARS

UNAUDITED

Exhibit J-5

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Refund</u> <u>Prior Year</u> <u>Expenditures</u>	<u>Tuition</u>	<u>Legal</u> <u>Settlement</u>	<u>Miscellaneous</u>	<u>Total</u>
2015	\$ 11,596	\$ 9,002	\$ 44,247		\$ 6,139	\$ 70,984
2016	7,945	12,385	51,834		3,150	75,314
2017	8,726	721	50,362		7,647	67,456
2018	20,815	19,915	52,061		10,427	103,218
2019	41,943		64,601		10	106,554
2020	24,835		59,123		3,904	87,862
2021	2,368		65,149		40,483	108,000
2022	486	4,176	58,249		5,691	68,602
2023	2,877	24,464	74,994		106,818	209,153
2024	22,174		42,000	\$ 338,000	(78,339)	323,835

SOURCE: District Records

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

**Exhibit J-6**

Fiscal Year Ended June 30,	Vacant <u>Land</u>	<u>Residential</u>	<u>Farm Reg.</u>	<u>Qfarm</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Apartment</u>	Total Assessed Value	Public Utilities <b>a</b>	Net Valuation Taxable	Total Direct School Tax Rate <b>b</b>	Estimated Actual (County Equalized Value)
2015	\$10,653,600	\$404,308,500	\$54,221,800	\$3,476,790	\$108,509,200	\$17,493,500	\$66,001,000	\$664,664,390	\$954,436	\$665,618,826	\$0.837	\$683,265,878
2016	10,653,600	404,308,500	54,221,800	3,476,790	108,509,200	17,493,500	66,001,000	664,664,390	954,436	665,618,826	0.837	683,265,878
2017	9,501,000	408,991,800	52,751,300	4,246,265	116,176,000	17,323,500	66,001,000	674,990,865	862,441	675,853,306	0.829	713,904,411
2018	16,515,150	409,053,900	52,604,700	3,342,165	115,894,250	17,323,500	60,062,400	674,796,065	804,295	675,600,360	0.846	717,654,940
2019	13,782,200	410,640,200	51,939,900	3,345,415	115,863,850	17,323,500	60,062,400	672,957,465	291,360	673,248,825	0.865	741,209,165
2020	15,066,700	413,661,400	49,904,500	3,214,625	114,656,750	17,323,500	59,623,400	673,450,875	-	673,450,875	0.882	745,710,193
2021	14,091,700	418,485,800	52,498,400	3,103,225	113,307,150	17,323,500	59,623,400	678,433,175	-	678,433,175	0.892	755,157,140
2022	13,159,600	427,702,900	50,547,600	2,892,200	113,333,150	17,323,500	59,623,400	684,582,350	-	684,582,350	0.916	760,478,060
2023	13,732,900	441,785,600	50,920,100	3,157,800	113,356,250	17,323,500	59,623,400	699,899,550	-	699,899,550	0.912	810,444,129
2024	15,566,600	448,289,900	51,019,800	2,927,800	107,887,250	17,428,500	59,623,400	702,743,250	-	702,743,250	0.926	916,157,232

Source: District records Tax list summary & Municipal Tax Assessor

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

Reassessment occurs when ordered by the County Board of Taxation

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

**b** Tax rates are per \$100

**MANSFIELD TOWNSHIP SCHOOL DISTRICT**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**

**Exhibit J-7**

*(rate per \$100 of assessed value)*

Fiscal Year Ended June 30,	Mansfield Township Board of Education			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	Total Direct	Regional School District	Mansfield Township	Warren County	
2015	\$0.739	\$0.051	\$0.790	\$0.870	\$0.610	\$0.780	\$3.050
2016	\$0.782	\$0.051	\$0.837	\$0.896	\$0.607	\$0.811	\$3.151
2017	\$0.784	\$0.045	\$0.829	\$0.959	\$0.621	\$0.810	\$3.219
2018	\$0.805	\$0.041	\$0.846	\$1.011	\$0.624	\$0.813	\$3.294
2019	\$0.824	\$0.041	\$0.865	\$1.076	\$0.632	\$0.792	\$3.365
2020	\$0.840	\$0.042	\$0.882	\$1.112	\$0.635	\$0.795	\$3.424
2021	\$0.850	\$0.042	\$0.892	\$1.163	\$0.641	\$0.782	\$3.478
2022	\$0.874	\$0.042	\$0.916	\$1.181	\$0.637	\$0.779	\$3.513
2023	\$0.871	\$0.041	\$0.912	\$1.102	\$0.699	\$0.776	\$3.489
2024	\$0.885	\$0.041	\$0.926	\$1.125	\$0.697	\$0.803	\$3.551

Source: District Records and Municipal Tax Collector

**Note:** NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy . The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

**a** The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.

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



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

**Exhibit J-8**

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Mansfield Village	\$ 37,000,000	1	5.27%			0.00%
Green Eagle Property Res. L.P.	27,721,600	2	3.94%	\$ 33,190,600	2	4.99%
Mansfield Plaza LLC	26,043,100	3	3.71%	68,981,700	1	10.37%
Middlebury Associates	18,400,000	4	2.62%	18,839,000	3	2.83%
Mansfield Plaza Associates LLC	14,533,000	5	2.07%	15,033,000	4	2.26%
NYK Services Center	5,891,300	6	0.84%	5,976,300	5	0.90%
Borealis Compounds LLC	5,856,400	7	0.83%	5,768,300	6	0.87%
WH Realty 1 LLC	4,405,000	8	0.63%			
The Shoppes at Mansfield LLC	3,719,300	9	0.53%	3,719,300	7	0.56%
Walgreen Co Real Estate	3,486,500	10	0.50%			
Eden Mansfield LLC				3,486,500	8	0.0052
Mansfield Commons II LLC				3,379,400	9	0.51%
Sarva Mangal LLC				2,849,600	10	0.43%
Total	<u>\$ 147,056,200</u>		<u>20.93%</u>	<u>\$ 161,223,700</u>		<u>24.24%</u>

Source: District ACFR & Municipal Tax Assessor

**MANSFIELD 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	
2015	\$5,270,238	\$5,270,238	100.00%	-
2016	\$5,570,870	\$5,570,870	100.00%	-
2017	\$5,605,061	\$5,605,061	100.00%	-
2018	\$5,714,474	\$5,714,474	100.00%	-
2019	\$5,825,670	\$5,825,670	100.00%	-
2020	\$5,938,692	\$5,938,692	100.00%	-
2021	\$6,053,775	\$6,053,775	100.00%	-
2022	\$6,264,110	\$6,264,110	100.00%	-
2023	\$6,381,138	\$6,381,138	100.00%	-
2024	\$6,506,464	\$6,506,464	100.00%	-

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

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

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

**Exhibit J-10**

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities	Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds <sup>b</sup>	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases			
2015	6,685,000	-	-	-	-0-	6,685,000	1.82%	890
2016	6,485,000	-	-	-	-0-	6,485,000	1.71%	867
2017	6,240,000	-	-	-	-0-	6,240,000	1.63%	840
2018	5,985,000	-	-	-	-0-	5,985,000	1.52%	810
2019	5,720,000	-	-	-	-0-	5,720,000	1.41%	775
2020	5,445,000	-	-	-	-0-	5,445,000	1.30%	739
2021	5,160,000	-	-	-	-0-	5,160,000	1.15%	699
2022	4,860,000	-	-	-	-0-	4,860,000	0.99%	622
2023	4,550,000	-	-	-	-0-	4,550,000	0.00%	580
2024	4,225,000	-	-	-	-0-	4,225,000	0.00%	536

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

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

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

**b** Includes Early Retirement Incentive Plan (ERIP) refunding

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

**Exhibit J-11**

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2015	6,685,000	-0-	6,685,000	1.00%	890
2016	6,485,000	-0-	6,485,000	0.96%	867
2017	6,240,000	-0-	6,240,000	0.92%	840
2018	5,985,000	-0-	5,985,000	0.89%	810
2019	5,720,000	-0-	5,720,000	0.85%	775
2020	5,445,000	-0-	5,445,000	0.80%	739
2021	5,160,000	-0-	5,160,000	0.75%	699
2022	4,860,000	-0-	4,860,000	0.69%	622
2023	4,550,000	-0-	4,550,000	0.65%	580
2024	4,225,000	-0-	4,225,000	0.60%	536 *

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

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

**b** Population data can be found in Exhibit NJ J-14.

R Revised

\* Current data unavailable

**MANSFIELD TOWNSHIP SCHOOL DISTRICT**  
**Ratios of Overlapping Governmental Activities Debt**  
**As of June 30, 2024**

**Exhibit J-12**

<u><b>Governmental Unit</b></u>	<u><b>Debt Outstanding</b></u>	<u><b>Estimated Percentage Applicable <sup>a</sup></b></u>	<u><b>Estimated Share of Overlapping Debt</b></u>
<b>Debt repaid with property taxes</b>			
Township of Mansfield	\$ 290,000	100.000%	\$ 290,000
<b>Other debt</b>			
Warren Hills Regional School District	2,259,757	31.325%	707,869
Warren County	10,570,000	6.842%	723,196
Subtotal, overlapping debt			1,721,065
<b>Mansfield Township School District Direct Debt</b>	4,225,000		4,225,000
<b>Total direct and overlapping debt</b>			<u><u>\$ 5,946,065</u></u>

**Sources:** Township Finance Officer, Warren County Finance Office  
and Utility Authorities

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

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

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

**Exhibit J-13**

**Legal Debt Margin Calculation for Fiscal Year 2024**

	Equalized valuation basis	
	2021	792,707,677
	2022	910,853,136
	2023	962,266,534
	[A]	<u>\$ 2,665,827,347</u>
Average equalized valuation of taxable property	[A/3]	\$ 888,609,116
Debt limit (2.5% of average equalization value)	[B]	22,215,228
Net bonded school debt	[C]	<u>4,225,000</u>
Legal debt margin	[B-C]	<u>\$ 17,990,228</u>

	Fiscal Year									
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Debt limit	\$17,460,866	\$17,223,100	\$17,578,907	\$17,897,143	\$18,256,129	\$18,527,828	\$18,736,853	\$19,133,052	\$20,476,733	\$ 22,215,228
Total net debt applicable to limit	<u>6,685,350</u>	<u>6,485,350</u>	<u>6,240,350</u>	<u>5,985,350</u>	<u>5,720,000</u>	<u>5,445,000</u>	<u>5,160,000</u>	<u>4,860,000</u>	<u>4,550,000</u>	<u>4,225,000</u>
Legal debt margin	<u>\$10,775,516</u>	<u>\$10,737,750</u>	<u>\$11,338,557</u>	<u>\$11,911,793</u>	<u>\$12,356,129</u>	<u>\$13,082,828</u>	<u>\$13,576,853</u>	<u>\$14,273,052</u>	<u>\$15,926,733</u>	<u>\$17,990,228</u>
Total net debt applicable to the limit as a percentage of debt limit	38.29%	37.65%	35.50%	33.44%	31.33%	29.39%	27.54%	25.40%	22.22%	19.02%

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

**a** Limit set by NJSA 18A:24-19 for a K through 6 district; other % limits would be applicable for other districts

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

**Exhibit J-14**

<u>Year</u>	<u>Population <sup>a</sup></u>	<u>Personal Income (thousands of dollars) <sup>b</sup></u>	<u>Per Capita Personal Income <sup>c</sup></u>	<u>Unemployment Rate <sup>d</sup></u>
2015	7,508	\$ 367,043,596	\$50,741 R	4.8%
2016	7,481	\$ 379,593,421	\$51,503 R	4.1%
2017	7,431	\$ 382,718,793	\$53,149 R	3.5%
2018	7,386	\$ 392,558,514	\$54,973 R	3.3%
2019	7,379	\$ 405,645,767	\$56,956 R	2.7%
2020	7,372	\$ 419,879,632	\$60,525 R	7.7%
2021	7,384	\$ 446,916,600	\$63,041 R	4.3%
2022	7,811	\$ 492,413,251	\$62,921 R	2.9%
2023	7,839	\$ 493,237,719	\$62,921 *	4.0%
2024	7,876	\$ 495,565,796	\$62,921 *	*

**Source:**

<sup>a</sup> Population information provided by the NJ Dept of Labor and Workforce Development

<sup>b</sup> Personal income provided by US Dept Commerce

<sup>c</sup> Per Capita provided by NJ Dept of Labor

<sup>d</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development

P =Projected

R =Revised

\* Current data unavailable

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

**Exhibit J-15**  
**N/A**

Employer	2024			2015		
	Employees	Rank (Optional)	Percentage of Total Employment	Employees	Rank (Optional)	Percentage of Total Employment
		1	0.00%	-		0.00%
		2	0.00%	-		0.00%
		3	0.00%	-		0.00%
		4	0.00%	-		0.00%
		5	0.00%	-		0.00%
		6	0.00%	-		0.00%
		7	0.00%	-		0.00%
		8	0.00%	-		0.00%
		9	0.00%	-		0.00%
		10	0.00%	-		0.00%
	-			-		0.00%
	-			-		0.00%
	-			-		0.00%
	-		0.00%	-		0.00%

**Source:**

No reliable information is available at the local or county level.



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

**Exhibit J-16**

<b><u>Function/Program</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>2017</u></b>	<b><u>2018</u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>	<b><u>2023</u></b>	<b><u>2024</u></b>
Instruction										
Regular	44.2	44.2	44.2	45.2	46.2	48.2	40.0	40.0	40.0	37.0
Special education	20.0	23.0	23.0	24.0	24.0	24.0	29.0	36.0	36.0	31.0
Other instruction	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Support Services:										
Tuition										
Student & instruction related services	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	6.9
General administrative services	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.0
School administrative services	2.8	2.8	2.8	2.8	2.8	2.8	5.0	5.0	3.6	3.8
Business administrative services	2.0	2.0	2.0	2.0	1.5	2.5	3.0	3.0	3.0	3.0
Plant operations and maintenance	5.0	5.0	5.0	5.0	5.0	4.0	5.0	5.0	4.0	2.5
Pupil Transportation										
Food Service	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Child Care	1.5	1.5	1.5	1.5	1.5	1.5	2.0	2.0	2.0	2.0
Total	88.0	91.0	91.0	93.0	93.5	95.5	96.5	103.5	101.1	90.2

**Source:** District Personnel Records

**MANSFIELD TOWNSHIP SCHOOL DISTRICT**  
**Operating Statistics**  
**Last Ten Fiscal Years**

**Exhibit J-17**

<b>Fiscal Year</b>	<b>Enrollment</b>	<b>Operating Expenditures <sup>a</sup></b>	<b>Cost Per Pupil</b>	<b>Percentage Change</b>	<b>Teaching Staff <sup>b</sup></b>	<b>Pupil/Teacher Ratio Elementary</b>	<b>Average Daily Enrollment (ADE) <sup>c</sup></b>	<b>Average Daily Attendance (ADA) <sup>c</sup></b>	<b>% Change in Average Daily Enrollment</b>	<b>Student Attendance Percentage</b>
2015	703	\$ 9,821,228	\$ 13,970	1.91%	57	12.33:1	705.6	672.9	-0.35%	95.37%
2016	680	10,422,043	15,327	9.71%	57	11.93:1	682.6	652.9	-3.26%	95.65%
2017	646	10,650,780	16,487	7.57%	57	11.33:1	643.4	613.5	-5.74%	95.35%
2018	631	11,025,409	17,473	5.98%	57	11.07:1	633.2	603.4	-1.58%	95.29%
2019	629	11,160,677	17,744	1.55%	58	10.84:1	624.0	594.1	-1.45%	95.21%
2020	590	11,446,423	19,401	9.34%	60	9.83:1	589.4	570.3	-5.55%	96.76%
2021	532	12,655,617	23,789	22.62%	65	8.25:1	530.9	527.8	-9.92%	99.41%
2022	557	13,628,576	24,468	2.85%	68	8.19:1	560.1	519.8	5.49%	92.80%
2023	580	14,340,929	24,726	1.05%	69	8.41:1	550.1	512.2	-1.79%	93.12%
2024	585	14,490,852	24,771	0.18%	69	8.48:1	580.7	545.0	5.56%	93.85%

**Sources:** District records, ASSA and Schedules J-12, J-14

**Note:** Enrollment based on annual October district count.

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

**MANSFIELD TOWNSHIP SCHOOL DISTRICT**  
**School Building Information**  
**Last Ten Fiscal Years**

**Exhibit J-18**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<b><u>District Building</u></b>										
<b><u>Elementary</u></b>										
Mansfield Township School (1964)										
Square Feet	92,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000
Capacity (students)	835.0	835.0	835.0	835.0	835.0	835.0	835.0	835.0	835.0	835.0
Enrollment	703.0	680.0	646.0	631.0	629.0	590.0	532.0	557.0	580.0	585.0

Number of Schools at June 30, 2024  
 Elementary = 1

**Source:** District records, ASSA

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

MANSFIELD TOWNSHIP SCHOOL DISTRICT

**GENERAL FUND**  
**SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES**  
**Last Ten Fiscal Years Ending June 30, 2024**

Exhibit J-19

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

<u>School Facilities</u>	<u>Project #</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>Total</u>
Mansfield School	040	\$67,363	\$47,496	\$152,474	\$326,013	\$80,389	\$32,739	\$34,769	\$26,785	\$32,192	\$23,089	\$823,309
<b>Total School Facilities</b>		<b>67,363</b>	<b>47,496</b>	<b>152,474</b>	<b>326,013</b>	<b>80,389</b>	<b>32,739</b>	<b>34,769</b>	<b>26,785</b>	<b>32,192</b>	<b>23,089</b>	<b>823,309</b>
Other Facilities												
<b>Grand Total</b>		<b>\$67,363</b>	<b>\$47,496</b>	<b>\$152,474</b>	<b>\$326,013</b>	<b>\$80,389</b>	<b>\$32,739</b>	<b>\$34,769</b>	<b>\$26,785</b>	<b>\$32,192</b>	<b>\$23,089</b>	<b>\$823,309</b>

MANSFIELD TOWNSHIP SCHOOL DISTRICT

**INSURANCE SCHEDULE**

**June 30, 2024**

**UNAUDITED**

**Exhibit J-20**

<b><u>POLICY TYPE</u></b>	<b><u>COVERAGE</u></b>	<b><u>DEDUCTIBLE</u></b>
<b>Package- NJSIG</b>		
<i>Property</i>	\$ 20,813,261	\$ 5,000
<i>Equipment Breakdown</i>	100,000,000	25,000
<i>Crime- Faithful Performance</i>	50,000	
<b><i>General Liability</i></b>		
<i>Bodily Injury &amp; Property Damage</i>	11,000,000	
<i>Products &amp; Completed Operations</i>	11,000,000	
<i>Sexual Abuse</i>	11,000,000	
<i>Personal Injury and Advertising Injury</i>	11,000,000	
<i>Employee Benefits Liability</i>	11,000,000	1,000
<i>Premises Medical Payment</i>	10,000	
<b><i>Auto Liability- Hired NonOwned</i></b>	11,000,000	
<i>Cyber</i>	2,000,000	\$25,000-\$250,000
<i>Restart/Terr/Env/Crisis</i>	Various	
<b>School Leaders E&amp;O - NJSIG</b>	11,000,000	5,000
<i>Coverage B</i>	\$100,000 per claim \$300,000 Per Occurrence	
<b>Workers Compensation - NJSIG</b>	1,000,000 Each Accident, Employee	
<b>Supplemental Indemnity</b>	7 day waiting period	
<b>Student Accident- QBE</b>	500,000	
<b>PUBLIC EMPLOYEES' FAITHFUL PERFORMANCE</b>		
<b>BLANKET POSITION BOND</b>		
<i>Board Administrator</i>	195,000	
<i>Treasurer</i>	195,000	

\* New Jersey School Insurance Group (NJSIG)

SOURCE: District Records

## **Single Audit Section**



## ARDITO & COMPANY LLC

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

#### Independent Auditor's Report

Honorable President and  
 Members of the Board of Education  
 Mansfield Township School District  
 County of Warren  
 Port Murray, New Jersey 07865

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 Mansfield Township School District Board of Education in the County of Warren, State of New Jersey, as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Mansfield Township School District Board of Education's basic financial statements, and have issued our report thereon dated February 7, 2024.

#### **Report on Internal Control Over Financial Reporting**

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

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

-Continued-

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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as findings 2024-001, 2024-002 and 2024-003 that we consider to be material weaknesses.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free of 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*** or audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

We noted certain matters that we reported to management of the Hope Township School District, in a separate letter dated February 7, 2025 entitled "Auditor's Management Report on Administrative Findings".

**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 for New Jersey Department of Education use, 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.

*Ardito & Company LLC*

**ARDITO & COMPANY LLC**

February 7, 2025

*Anthony Ardito*

Anthony Ardito

Certified Public Accountant

Licensed Public School Accountant No. 2369

**ARDITO & COMPANY LLC**

Frenchtown, New Jersey

February 7, 2025





## **ARDITO & COMPANY LLC**

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Anthony Ardito, CPA, RMA, CMFO, PSA

### **Independent Auditor's Report on Compliance For Each Major Program and on Internal Control Over Compliance Required by New Jersey OMB circular 15-08**

Honorable President and  
 Members of the Board of Education  
 Mansfield Township School District  
 County of Warren  
 Port Murray, New Jersey 07865

#### **Report on Compliance for Each Major State Program**

##### ***Opinion on Each Major State Program***

We have audited the Mansfield Township School District Board of Education's compliance with the types of compliance requirements described in the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the District's major state programs for the year ended June 30, 2024. The Mansfield Township School District Board of Education's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Mansfield Township School District Board of Education complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2024.

##### ***Basis for Opinion on Each Major State Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in ***Government Auditing Standards***, issued by the Comptroller General of the United States; the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Our responsibilities under those standards, and New Jersey OMB Circular 15-08 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 Mansfield Township School District Board of Education, 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 opinion on compliance for each major state program. Our audit does not provide a legal determination of the Mansfield Township School District Board of Education's compliance with the compliance requirements referred to above.

##### ***Responsibilities of Management for Compliance***

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

-Continued-

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of 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 instances of noncompliance, which are required to be reported in accordance with New Jersey OMB Circular 15-08 and which are described in the accompanying schedule of findings and questioned costs as items 2024-004 and 2024-005. Our opinion on each major state program is not modified with respect to these matters.

**Government Auditing Standards** requires the auditor to perform limited procedures on the District's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

#### ***Report on Internal Control Over Compliance***

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

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

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 New Jersey OMB circular 15-08, and for New Jersey Department of Education use. Accordingly, this report is not suitable for any other purpose.

*Ardito & Company LLC*

**ARDITO & COMPANY LLC**

Frenchtown, New Jersey

February 7, 2025

*Anthony Ardito*

Anthony Ardito

Certified Public Accountant

Licensed Public School Accountant No. 2369

**ARDITO & COMPANY LLC**

Frenchtown, New Jersey

February 7, 2025

## MANSFIELD TOWNSHIP SCHOOL DISTRICT

K-3

Schedule of Expenditures of Federal Awards  
for the Fiscal Year ended June 30, 2024

Schedule A

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing No.	FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance At June 30, 2023	Carryover/ Walkover Amount	Cash Received	Budgetary Expenditures	Adjust.	Repayment of Prior Years' Balances	Balance at June 30, 2024			Cumulative Total Expenditures
					From	To							Accounts Receivable	Deferred Revenue	Due to Grantor	
U.S. Department of Education																
Passed-through State Department of Education:																
General Fund:																
Medical Assistance Program (SEMI)	93.778	2305NJ5MAP	N/A	\$ 25,807	7/1/23	6/30/24		\$	25,807	\$ (25,807)						\$ 25,807
Total General Fund							-	-	25,807	(25,807)	-	-	-	-	-	25,807
U.S. Department of Education Passed-Through State Department of Education:																
Special Revenue Fund:																
Title I	84.010	S010A230030	ESEA24	99,309	7/1/23	6/30/24	\$ (29,265)		128,574	(99,309)						\$ 99,309
Title II Part A	84.367	S367B230027	ESEA24	15,768	7/1/23	6/30/24	(5,835)		12,526	(15,768)		\$	(9,077)			15,768
Title III	84.365A	S365A230030	ESEA24	10,109	7/1/23	6/30/24	(706)		20,189	(11,502)				\$ 7,981		11,502
Title IV	84.424A	S424B230031	ESEA24	10,000	7/1/23	6/30/24	(2,000)		12,000	(10,000)						10,000
Total ESEA							(37,806)	-	173,289	(136,579)	-	-	(9,077)	7,981	-	136,579
L.D.E.A. Part B, Basic Regular	84.027	H027A230100	FT297024	173,289	7/1/23	6/30/24	(30,454)		184,660	(173,289)			(19,083)			173,289
L.D.E.A. Part B, Basic Preschool	84.173	H173A230114	FT297024	7,787	7/1/23	6/30/24	-		7,787	(787)				7,000		787
American Rescue Plan-IDEA Basic	84.027X	H027X210100	ARP IDEA	26,143	3/13/20	9/30/24	(6,503)		6,503							26,143
Total Special Education Cluster							(36,957)	-	198,950	(174,076)	-	-	(19,083)	7,000	-	200,219
Rural Education Achievement Program	84.358A	S358B230030	S358A232605	48,446	7/1/23	9/30/24	-		48,446	(48,446)						48,446
American Rescue Plan-ESSER III	84.425U	S425U230027	ARP	608,506	3/13/20	9/30/24	(348,533)		451,883	(103,350)						608,506
American Rescue Plan-Accel. Learn. Coaching & Ed. Support	84.425U	S425U230027	ARP	51,121	3/13/20	9/30/24	(17,675)		17,675							51,121
American Rescue Plan-Evidence Based Summer Learning	84.425U	S425U230027	ARP	40,000	3/13/20	9/30/24	-		21,500					21,500		18,500
American Rescue Plan-Evidence Based Beyond the Sch. Day	84.425U	S425U230027	ARP	40,000	3/13/20	9/30/24	-		17,500	(17,500)						40,000
American Rescue Plan-NJTSS Mental Health Support Staffing	84.425U	S425U230027	ARP	45,000	3/13/20	9/30/24	-		20,010					20,010		24,990
American Rescue Plan-Homeless Children	84.425W	S425W230031	ARP	31,290	7/1/23	6/30/24	-		1,628					1,628		-
CRRSA ESSER II	84.425D	S425D230027	CRRSA	270,756	3/13/20	9/30/23	(50)		50							270,756
Total Education Stabilization Fund							(366,258)	-	530,246	(120,850)	-	-	-	43,138	-	1,013,873
U.S. Department of Homeland Security (FEMA) Passed-Through NJ State Department of Treasury:																
Special Revenue Fund:																
FEMA Grant	97.036	N/A	FEMA-2970-21	94,597	7/1/20	6/30/21	(24,577)		24,577							94,597
FEMA Grant	97.036	N/A	FEMA-2970-22	85,103	7/1/21	6/30/22	(85,103)		85,103							85,103
FEMA Grant	97.036	N/A	FEMA-2970-23	63,986	7/1/22	6/30/23	(63,986)		63,989					3		63,986
Total FEMA Grant							(173,666)	-	173,669	-	-	-	-	3	-	243,686
Total Special Revenue Fund							(614,687)	-	1,124,600	(479,951)	-	-	(28,160)	58,122	-	1,642,803
U.S. Department of Agriculture																
Passed-Through State Dept. of Agriculture																
Enterprise Fund:																
Child Nutrition Cluster:																
Food Distribution Program	10.555	231NJ304N1199	N/A		7/1/22	6/30/23	2,106			(2,106)						2,106
Food Distribution Program	10.555	241NJ304N1199	N/A	15,488	7/1/23	6/30/24			15,488	(13,407)				2,081		13,407
School Breakfast Program	10.553	231NJ304N1199	N/A		7/1/22	6/30/23	(1,512)		1,512							
School Breakfast Program	10.553	241NJ304N1199	N/A	27,671	7/1/23	6/30/24			27,025	(27,671)			(646)			27,671
National School Lunch Program	10.555	231NJ304N1199	N/A		7/1/22	6/30/23	(5,591)		5,591							
National School Lunch Program	10.555	241NJ304N1199	N/A	131,703	7/1/23	6/30/24			130,017	(131,703)			(1,686)			131,703
P-EBT Administrative Cost	10.649	242222S900941	N/A	653	7/1/23	6/30/24			653	(653)				-		653
Supply Chain Assistance Funding	10.555	241NJ344N8903	N/A	17,247	7/1/23	6/30/24			17,247	(17,247)				-		17,247
Total Enterprise Fund							(4,997)	-	197,533	(192,787)	-	-	(2,332)	2,081	-	192,787
TOTAL FEDERAL ASSISTANCE							\$ (619,684)	-	\$ 1,347,940	\$ (698,545)	-	-	\$ (30,492)	\$ 60,203	-	\$ 1,861,397

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

**Note: This Schedule was not subject to an audit in accordance with OMB Uniform Guidance.**

## MANSFIELD TOWNSHIP SCHOOL DISTRICT

K-4

Schedule of Expenditures of State Financial Assistance  
for the Fiscal Year ended June 30, 2024

Schedule B

STATE GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	GRANT PERIOD	AWARD AMOUNT	BALANCE 6/30/2023	CARRY- OVER AMOUNT	CASH RECEIVED	BUDGET. EXPEND.	ADJUST.	REPAYMENT OF PRIOR YEARS' BALANCES	BALANCE AT JUNE 30, 2024			MEMO	
										(ACCTS. RECEIV.)	INTERFUND PAYABLE/ DEFER. REVENUE	DUE TO GRANTOR	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPEND.
State Department of Education														
General Fund:														
Equalization Aid	24-495-034-5120-078	7/1/23-6/30/24	\$ 2,819,868			\$ 2,819,868	\$ (2,819,868)						\$ 281,759	\$ 2,819,868
Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	273,159			273,159	(273,159)						27,294	273,159
Special Education Aid	24-495-034-5120-089	7/1/23-6/30/24	439,697			439,697	(439,697)						43,934	439,697
Security Aid	24-495-034-5120-084	7/1/23-6/30/24	85,007			85,007	(85,007)						8,494	85,007
Supplemental Stabilization Aid	24-100-034-5120-494	7/1/23-6/30/24	64,021			64,021	(64,021)							64,021
Payment for Institutionalized Children	24-495-034-5120-005	7/1/23-6/30/24	210,916			-	(210,916)			\$ (210,916)				210,916
Payment for Institutionalized Children	23-495-034-5120-005	7/1/22-6/30/23	129,128	\$ (129,128)		129,128	-							129,128
Extraordinary Aid	24-495-034-5120-044	7/1/23-6/30/24	4,854			-	(4,854)			(4,854)				4,854
Extraordinary Aid	23-495-034-5120-044	7/1/22-6/30/23	7,153	(7,153)		7,153	-							7,153
Non- Public Transportation Aid	24-100-034-5120-068	7/1/23-6/30/24	2,730			-	(2,730)			(2,730)				2,730
Non- Public Transportation Aid	23-100-034-5120-068	7/1/22-6/30/23	2,496	(2,496)		2,496	-							2,496
On Behalf TPAF Pension	24-495-034-5094-002	7/1/23-6/30/24	2,051,730			2,051,730	(2,051,730)							2,051,730
On Behalf TPAF Pension PMR	24-495-034-5094-001	7/1/23-6/30/24	558,406			558,406	(558,406)							558,406
On Behalf TPAF Pension LTD Ins	24-495-034-5094-004	7/1/23-6/30/24	758			758	(758)							758
Reimb. TPAF Soc.Secur.Contrib.	24-495-034-5094-003	7/1/23-6/30/24	421,653	(22,050)		423,276	(421,653)			(20,427)				421,653
Total General Fund						(160,827)	6,854,699	(6,932,799)		(238,927)			361,481	7,071,576
Special Revenue Fund:														
School Climate Change Pilot	24-100-034-5063-359	4/1/22-6/30/23	6,660	\$ 1,641						\$ 1,641				
SDA Grant - Emergency and Capital Aid	24-100-034-5120-519	7/1/23-6/30/24	12,352			12,352	(12,352)		-	-				12,352
Total Special Revenue Fund						1,641	-	12,352	(12,352)	-	-	-	1,641	-
State Department of Agriculture														
Enterprise Fund:														
Nat.School Lunch Prog.(State Share)	23-100-010-3350-023	7/1/22-6/30/23		(333)		333								
Nat.School Lunch Prog.(State Share)	24-100-010-3350-023	7/1/23-6/30/24	15,506			15,252	(15,506)			(254)				15,506
Total Enterprise Fund						(333)	15,585	(15,506)		(254)				15,506
Total State Financial Assistance														
						\$ (159,519)	-	\$ 6,882,636	\$ (6,960,657)	-	-	\$ (239,181)	\$ 1,641	-
Less On-behalf TPAF Pension Amounts:														
On Behalf TPAF Pension	24-495-034-5094-002	7/1/23-6/30/24	2,051,730				2,051,730							
On Behalf TPAF Pension PMR	24-495-034-5094-001	7/1/23-6/30/24	558,406				558,406							
On Behalf TPAF Pension LTD Ins	24-495-034-5094-004	7/1/23-6/30/24	758				758							
Total State Expenditures Subject to Major Program Determination							\$ (4,349,763)							

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

NOTES TO THE SCHEDULES OF STATE FINANCIAL ASSISTANCE  
JUNE 30, 2024

**NOTE 1. GENERAL**

The accompanying schedule of expenditures of federal and state financial assistance includes federal and state award activity of the Board of Education, Mansfield 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 state financial assistance passed through other government agencies is included on the schedule of expenditure of federal 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 basis 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 *2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 District has elected not to use the 10% de minimis indirect cost rate.

**NOTE 3. RELATIONSHIP TO GENERAL PURPOSE 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 state aid payment 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 \$18,830 for the general fund and \$50,102 for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented on the following page:

NOTES TO THE SCHEDULES OF STATE FINANCIAL ASSISTANCE  
JUNE 30, 2024

**NOTE 3. (Continued)**

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 25,807	\$ 6,951,629	\$ 6,977,436
Special Revenue Fund	528,412	13,993	542,405
Debt Service Fund		173,826	173,826
Food Service Fund	<u>192,788</u>	<u>15,506</u>	<u>208,294</u>
Total Financial Assistance	<u>\$ 747,007</u>	<u>\$ 7,154,954</u>	<u>\$ 7,901,961</u>

**NOTE 4. 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, 2024. TPAF Social Security Contributions represents the amount reimbursed by the state for employer's share of social security contributions for TPAF members for the year ended June 30, 2024.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Section I - Summary of Auditor's Results

**Financial Statement Section**

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

- 1) Material weakness(es) identified?  
2) Were significant deficiencies identified  
that were not considered to be material  
weaknesses?

x Yes \_\_\_ No

\_\_\_ Yes

x None

Reported

Noncompliance material to financial  
statements noted?

\_\_\_ Yes x No

**Federal Awards**

**Not Applicable**

Internal control over major programs:

- 1) Material weakness(es) identified?  
2) Were significant deficiencies identified  
that were not considered to be material  
weaknesses?

\_\_\_ Yes \_\_\_ No

\_\_\_ Yes

\_\_\_ None

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

N/A

Any audit findings disclosed that are required to be reported  
in accordance with 2 CFR 200 section .516(a) of ?

\_\_\_ Yes \_\_\_ No

Identification of major programs:

<u>Assistance Listing</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
N/A		

Dollar threshold used to distinguish between Type A and  
Type B programs:

N/A

Auditee qualified as low-risk auditee?

\_\_\_ yes \_\_\_ no



SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**State Financial Assistance Section**

Dollar threshold used to distinguish between Type A and  
Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

x Yes    No

Internal Control over major programs:

1) Material weakness(es) identified?

   Yes x No

2) Were significant deficiencies identified  
that were not considered to be material  
weaknesses?

   Yes x None

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

Unmodified

Any audit findings disclosed that are  
required to be reported in accordance with  
NJ OMB Circular letter 15-08 as applicable?

x Yes    No

Identification of major programs:

**State Grant/Project Number(s)****Name of State Program**

24-495-034-5120-078

Equalization Aid (State Aid Cluster)

24-495-034-5120-089

Special Education Aid (State Aid Cluster)

24-495-034-5120-084

Security Aid (State Aid Cluster)

24-495-034-5094-003

Reimb. TPAF Soc. Security Contrib.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Section II-Financial Statement Findings**

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, and abuse related to the financial statements for which *Government Auditing Standards* requires reporting.

**Financial Statement**

**Finding 2024-001**

**Criteria or Specific Requirement:**

General ledger assets and liabilities should be reconciled to the underlying account details.

**Condition:**

Balance sheet asset and liability general ledger accounts were not reconciled to the underlying account details.

**Context:**

Reconciliations were not prepared for the year resulting in \$1,779,597 of adjustments that comprise 82% of governmental fund assets.

**Effect:**

\$1,779,597 of cumulative differences were recorded as of June 30, 2024 to correct the financial statements.

**Cause:**

Lack of internal controls over the monitoring of the reconciliation of the general ledger assets and liabilities.

**Recommendation:**

The district should document and implement internal controls to monitor the preparation of asset and liability reconciliations to ensure accounts are reconciled to the underlying account details on a monthly basis.

**Views of management and planned corrective actions:**

The School Business Administrator will document and implement internal controls sufficient to monitor the preparation of general ledger reconciliations, ensuring accounts are properly reconciled to the underlying account details.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Section II-Financial Statement Findings - (Continued)**

**Finding 2024-002**

**Criteria or Specific Requirement:**

Accounts receivable should be monitored for collection on a timely basis.

**Condition:**

A detailed accounts receivable aging by customer and invoice was not available to support the general ledger balances as of June 30, 2024 for preschool tuition, amounts due from other school districts, and before and after childcare amounts.

**Context:**

General ledger accounts receivable balances of \$61,278 for preschool tuition, \$43,970 for amounts due from other districts, and \$62,365 for before and after childcare could not be substantiated. These amounts comprise 5.8% of general fund assets, and 50.5% of before and after childcare fund assets.

**Effect:**

The write-off of unsubstantiated accounts receivable of \$105,248 in the general fund and \$62,365 in the before and after childcare fund, reversing revenues previously reported, and resulting in fund balance reductions in both funds of the same amounts.

**Cause:**

Lack of internal controls over the monitoring of the accounts receivable collection process.

**Recommendation:**

Internal controls should be improved to ensure that detailed records are maintained for all accounts receivable and that those accounts are monitored for timely collection.

**Views of management and planned corrective actions:**

The district understands the importance of timely collection of receivables in order minimize potential losses and to monitor the financial results of the district on a monthly basis.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Section II-Financial Statement Findings - (Continued)**

**Finding 2024-003**

**Criteria or Specific Requirement:**

Interfund balances for receivables and loans should be returned to their respective funds as soon as practical.

**Condition:**

\$991,744 in interfund receivables and loans exist as of June 30, 2024 in the general fund, special revenue fund, food service fund and the before and after childcare fund.

**Context:**

General fund interfund receivables of \$358,672 and payables of \$742,233 comprise 19.8% of total fund assets, and 77.1% of total fund liabilities, respectively. Special revenue fund interfund receivables of \$283,525 and payables of \$248,897 comprise 81.0% of total fund assets, and 73.6% of total fund liabilities, respectively. Food service fund interfund receivables of \$286,651 comprise 88.0% of total fund assets. Before and after childcare fund interfund receivables of \$62,896 comprise 51.0% of total fund assets.

**Effect:**

Cash is maintained in funds from which it did not originate, complicating cash flow management, and necessitating continual cash transfers between funds for liquidity.

**Cause:**

Lack of internal controls over cash management and the monitoring of the interfund receivable payable balances.

**Recommendation:**

Internal controls should be improved to ensure all Interfund balances are liquidated and returned to their respective funds in a timely fashion.

**Views of management and planned corrective actions:**

The district understands the importance of the timely liquidation of interfund balances to promote good cash flow management.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

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

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

**Federal Awards** N/A

**State Awards**

**Information on the State Program:**

State Aid Cluster 24-495-034-5120-078, et.al.

**Finding 2024-004**

**Criteria or Specific Requirement:**

Several budgetary appropriation line accounts were over-expended during the fiscal year and at June 30 despite the Board Secretary's monthly certification to the contrary (N.J.A.C. 6A:23A-16.10).

**Condition:**

Budgetary appropriation accounts were over-expended in the following line items: Salaries of Teachers Grades 1-5, Salaries of Teachers - Preschool Disability, Central Services Miscellaneous Expenditure, Custodial Salaries, Cleaning & Repair, and various Employee Benefits.

**Questioned Costs:**

N/A

**Context:**

Nine (9) budgetary line items were over-expended for a total of \$298,309, which is 2.7% of original budgeted appropriations.

**Effect:**

Purchase orders are issued for over-expended budgetary line items ultimately reducing the financial resources (fund balance) of the district.

**Cause:**

Lack of controls and management review over the purchase order encumbrance budgetary disbursement system.

**Recommendation:**

Approved budgetary line accounts should not be over-expended. The Board Secretary should not approve the issuance of purchase orders that would cause an over-expenditure in the line account to be charged.

The Board Secretary should file monthly certifications of the budgetary line-item status which are consistent with the actual budgetary records.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs -  
(Continued)**

**State Awards - (Continued)**

**Information on the State Program:**

State Aid Cluster

24-495-034-5120-078, et.al.

**Finding 2024-005**

**Criteria or Specific Requirement:**

A district board of education, as appropriate, may by resolution withdraw such funds from the maintenance reserve account and appropriate into the required maintenance account lines at budget time or any time during the year for use on required maintenance activities for a school facility as reported in the comprehensive maintenance plan. (N.J.A.C. 6A:23A-14.2(d))

Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations. A district board of education shall not transfer such funds to any other line-item account. (N.J.A.C. 6A:23A-14.2(d)1).

**Condition:**

Maintenance reserve withdrawals of \$115,000 that were performed mid-year and at year-end, were not approved by the board of education by resolution, and were ultimately transferred to unallowed line-item accounts for teacher salary, construction services, and routine cleaning and maintenance.

**Questioned Costs:**

N/A

**Context:**

The \$115,000 withdrawal utilized 38.2% of the available maintenance reserve of \$301,240.

**Effect:**

Covering over-expenditures in other line-items with unallowed use of maintenance reserve. It should be noted that the interim business administrator and superintendent agreed to reverse the \$115,000 transfer and as such is not reflected in the financial statements.

**Cause:**

Unapproved use of maintenance reserve to provide cover for over-expenditures in other line-items in the budget.

**Recommendation:**

Withdrawals for maintenance reserve should be approved at the time of the annual budget adoption, or by board of education resolution if performed during the fiscal year after the annual budget. Additionally, withdrawals are restricted to required maintenance appropriations. A district board of education shall not transfer such funds to any other line-item account.

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**STATUS OF PRIOR YEAR FINDINGS**

In accordance with *government auditing standards* , our procedures included a review of all prior year recommendations. The prior year finding 2023-001 is repeated in the current year as finding 2024-001.