

**MANCHESTER REGIONAL
HIGH SCHOOL DISTRICT
COUNTY OF PASSAIC, NEW JERSEY
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2025**

**SCHOOL DISTRICT
OF THE
PASSAIC COUNTY
MANCHESTER REGIONAL HIGH SCHOOL**

**Passaic County Manchester Regional High School
Haledon, New Jersey**

**Annual Comprehensive Financial Report
For The Fiscal Year Ended June 30, 2025**

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT
of the
Passaic County
Manchester Regional High School District
Haledon, New Jersey
For The Fiscal Year Ended June 30, 2025**

**Prepared by
Manchester Regional High School District
Board of Education**

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Not Applicable

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INTRODUCTORY SECTION



MANCHESTER REGIONAL HIGH SCHOOL
70 CHURCH STREET, HALEDON, NJ 07508
(973) 389-2821



January 21, 2026

Honorable President and
Members of the Board of Education
Passaic County Manchester Regional High School District
Haledon, NJ 07508

Dear Board Members:

The annual comprehensive financial report of the Manchester Regional High School District, (District) for the fiscal year ended June 30, 2025 is hereby submitted. Responsibility for the accuracy of the data, and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the basic financial statements and results of operations 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: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the management discussion and analysis, the basic financial statements and schedules, as well as the auditor's report, thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the New Jersey OMB Circular NJOMB 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditors' report on the internal control and compliance with applicable laws, regulations, contracts and grants along with findings and questioned costs, are included in the single audit section of this report.

- 1) **REPORTING ENTITY AND ITS SERVICES:** The Manchester Regional High School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB #14 Statement No. 3. All funds and account groups of the District are included in this report. The Manchester Regional High School 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 9 through 12, including regular, technological as well as special education services. The district had an ASSA enrollment of 817 students for the 2024-25 school year, which is 36 students

less than the previous year's enrollment. The following details the changes in the student enrollment of the District over the last twelve years.

Average Daily Enrollment		
Fiscal Year	Student Enrollment	Percent Change
2024-25	817	-4.22%
2023-24	834	6.79%
2022-23	781	-7.24%
2021-22	842	7.26%
2020-21	785	-5.65%
2019-20	832	-1.89%
2018-19	848	-5.39%
2017-18	890	1.71%
2016-17	875	0.34%
2015-16	872	-5.22%
2014-15	920	-1.29%
2013-14	932	0.22%

- 2) **ECONOMIC OUTLOOK:** The Manchester Regional High School District understands the economic constraints our community faces, but our commitment remains steadfast to providing a high-quality education that prepares our students for success. While we continuously seek efficiencies in our operations and pursue supplemental funding sources, our costs continue rising to meet the needs of our students. Key investments in personnel, curriculum, technology, and facilities are essential to deliver the learning opportunities our students deserve. We will continue managing resources responsibly and providing full transparency around spending. However, additional taxpayer support may be necessary for our schools to thrive.

- 3) **MAJOR INITIATIVES:** The 2024-25 school year saw continued improvements to the district's offerings:
 - a. Expansion of career-readiness certificate programs through new partnerships with Fit4Basic, Servant Heart Ministries and Visions Credit Union. These provide students with hands-on training and credentials in growing fields.
 - b. A state-of-the-art camera system was installed across campus to enhance safety and security. Protecting students and staff remains our top priority.
 - c. With federal infrastructure funds now available, there are several facilities upgrades underway. These include replacing outdated HVAC systems, adding an elevator for accessibility, and renovating the Music Wing and Auditorium.
 - d. Even in these challenging times, our district strives to provide the best learning environment possible. We'll continue seeking opportunities to upgrade our facilities and programming to benefit all students.

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

As a recipient of federal and state financial assistance, the District also is responsible for establishing an adequate internal control structure 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, the capital outlay fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital project fund, when such projects are undertaken. The final budget amount, as amended for the fiscal year, is reflected in the financial section.

An encumbrance accounting system is utilized 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, 2025.
- 6) **CASH MANAGEMENT:** The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.
- 7) **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 and cyber security.
- 8) **OTHER INFORMATION:** Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Wielkott & Company conducted this annual audit. 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 the New Jersey OMB 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. The auditor's report on the basic financial statements and specific required supplementary information 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.

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

Respectfully submitted,

John Coviello



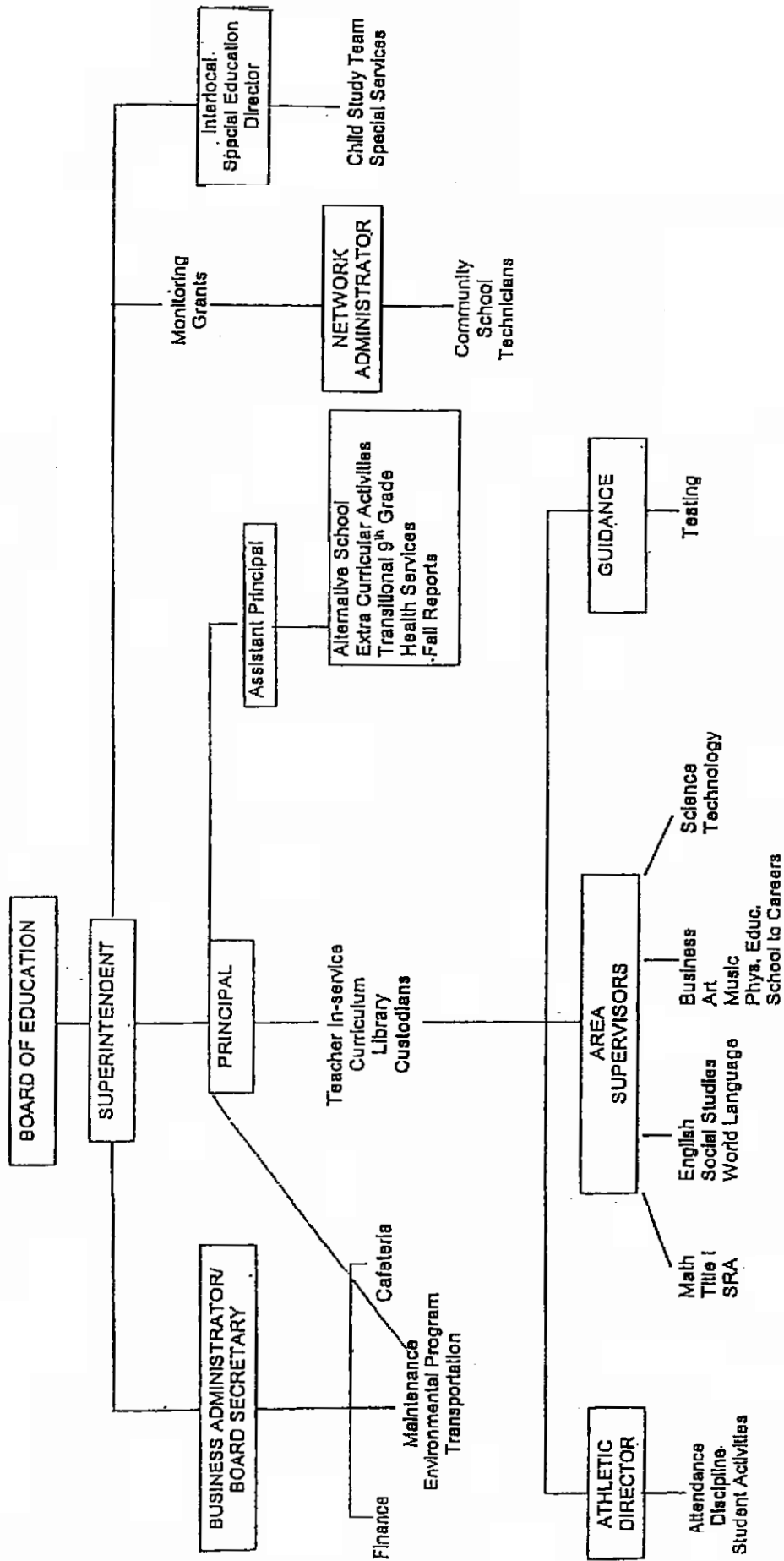
John Coviello
Superintendent

Lameka Augustin



Lameka Augustin
School Business Administrator

MANCHESTER REGIONAL HIGH SCHOOL ORGANIZATIONAL STRUCTURE



ADOPTED: May 1, 2003

**MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
BOARD OF EDUCATION
HALEDON, NJ**

**ROSTER OF OFFICIALS
JUNE 30, 2025**

Members of the Board of Education

Name	Town	Term Expires
Bridget Arrick	Prospect Park	2026
Gideon Ewusi	Prospect Park	2027
Liza Amezquita	North Haledon	2027
Kathleen Gonzales	North Haledon	2025
David House	North Haledon	2027
Brian Zinn	North Haledon	2025
Liliana Baez	Haledon	2026
Jeff Fischer	Haledon	2025
Jose Zamora Jr.	Haledon	2026

Other Officials

Mr. John Coviello, Superintendent
Lameka Augustin, Business Administrator/Board Secretary

**MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
BOARD OF EDUCATION
Consultants and Advisors**

Audit Firm

Wielkott & Company
401 Wanaque Avenue
Pompton Lakes, NJ 07442

Attorney

Fogarty & Hara
Counselors at Law
16-02 Rt. 208 South
Fair Lawn, NJ07410

Scarinci Hollenbeck
P.O. Box 790
Lyndhurst, NJ 07071

Architect

Di Cara / Rubino Architects
35 Waterview Boulevard, Suite 303
Parsippany, NJ 07054

Official Depository

TD Bank North
1000 Mac Arthur Boulevard
Mahwah, NJ07430

FINANCIAL SECTION



WIELKOTZ & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA
MATTHEW B. WIELKOTZ, CPA, PSA
DAVID BOTTGE, CPA, RMA, PSA
PAUL J. CUVA, CPA, RMA, PSA
KARI FERGUSON, CPA, RMA, CMFO, PSA
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INDEPENDENT AUDITOR'S REPORT

Honorable President and
Members of the Board of Education
Manchester Regional High School District
County of Passaic, New Jersey

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Board of Education of the Borough of Manchester Regional High School District, in the County of Passaic, State of New Jersey, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities and each major fund of the Manchester Regional High School Board of Education, in the County of Passaic, State of New Jersey, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. 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 Manchester Regional High School Board of Education and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of 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 Manchester Regional High School Board of Education's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Manchester Regional High School Board of Education'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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Information, Schedules Related to Accounting and Reporting for Pensions, and Other Post Employment Benefits identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Manchester Regional High School Board of Education's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 nonmajor fund financial statements, schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical data section has not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 21, 2026 on our consideration of the Manchester Regional High School Board of Education'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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Manchester Regional High School Board of Education's internal control over financial reporting and compliance.

Steven D. Wielkotz

Steven D. Wielkotz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkotz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

January 21, 2026

**REQUIRED SUPPLEMENTARY
INFORMATION - PART I**

**MANCHESTER REGIONAL HIGH SCHOOL BOARD OF EDUCATION
HALEDON, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

The discussion and analysis of the Manchester Regional High School Board of Education's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2025. The intent of this discussion and analysis is to look at the District's financial performance as a whole and should not be interpreted as a replacement for the audit which consists of the financial statements and other supplemental information that presents all the District's revenues and expenditures by program for the General Fund, Special Revenue Fund, Capital Projects Fund and Enterprise Fund.

FINANCIAL HIGHLIGHTS

- In total, net position increased \$8,996,162.68. Net position of governmental activities increased \$8,972,631.41 while net position of business-type activity increased by \$23,531.27. The variances are primarily the result of an increase in revenues for the business-type activities and a decrease in employee benefits and an increase in Facilities Grant.
- General revenues accounted for \$34,463,188.73 in revenue or 92.74 percent of all District revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$2,697,877.47 or 7.26 percent of total revenues of \$37,161,066.20.
- The School District had \$27,433,091.89 in expenses related to governmental activities; only \$1,942,534.57 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily grants, entitlements and property taxes) of \$34,463,188.73 were adequate to provide for these programs.

USING THIS ANNUAL REPORT

This discussion and analysis are intended to serve as an introduction to the Manchester Regional High School Board of Education's basic financial statements. The Manchester Regional High School Board of Education's basic financial statements are comprised of three components: 1) district-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

District-Wide Financial Statements

The *district-wide financial statements* are designed to provide readers with a broad overview of Manchester Regional High School Board of Education's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of Manchester Regional High School Board of Education's position and liabilities using the accrual basis of accounting, with the difference between the two reported as *net position*.

**MANCHESTER REGIONAL HIGH SCHOOL BOARD OF EDUCATION
HALEDON, NJ**

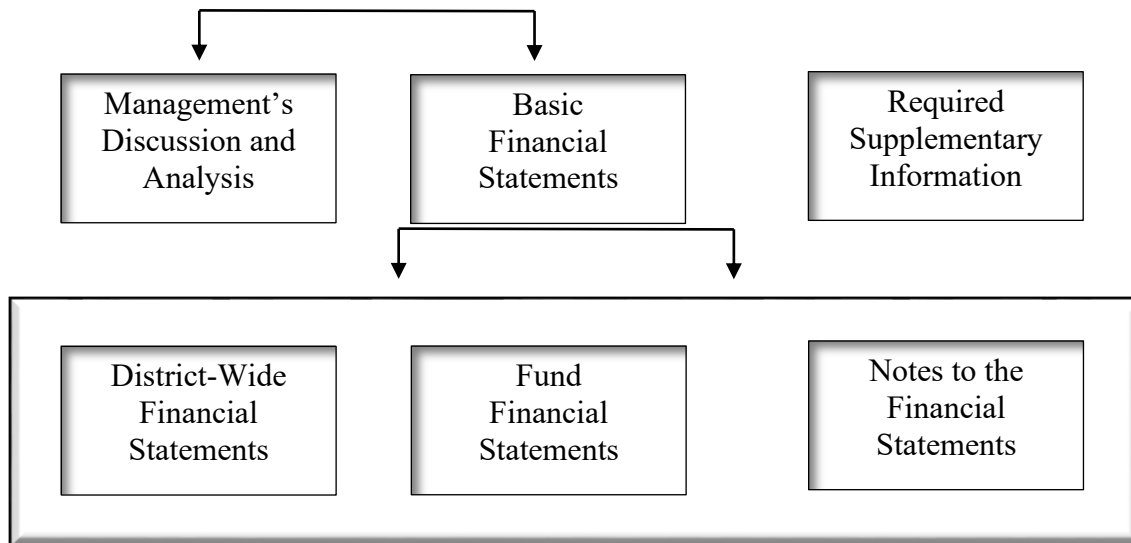
**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditor's Report, required supplementary information which includes the management's discussion and analysis (this section), the basic financial statements, and supplemental information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the district-wide statements.
- The district governmental funds statements tell how basic services were financed in the short term as well as what remains for future spending.
- Proprietary funds statements offer short-term and long-term financial information about the activities the district operated like businesses.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The table below shows how the various parts of this annual report are arranged and related to one another.



**MANCHESTER REGIONAL HIGH SCHOOL BOARD OF EDUCATION
HALEDON, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

OVERVIEW OF THE FINANCIAL STATEMENTS, (continued)

The major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain are detailed below. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as regular and special education and building maintenance	Activities the district operates similar to private businesses: Enterprise fund	Instances in which the district administers resources on behalf of someone else, such as custodial accounts
Required Financial Statements	Statements of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Net Position Statement of Revenues, Expenses, and Changes in Fund Net Position Statement of Cash Flows	Statements of Fiduciary Net Position Statement of Changes In Fiduciary Net Position
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of Asset/ Deferred Outflows/ Inflows of Resources/ Liability Information	All assets, deferred outflows/inflows of resources and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be utilized and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term funds do not currently contain capital assets
Type of Inflow/ Outflow Information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

**MANCHESTER REGIONAL HIGH SCHOOL BOARD OF EDUCATION
HALEDON, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

USING THIS ANNUAL REPORT, (continued)

District-Wide Financial Statements, (continued)

Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Manchester Regional High School Board of Education is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the district-wide financial statements distinguish functions of Manchester Regional High School Board of Education that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of Manchester Regional High School Board of Education include instruction, support services and special schools. The business-type activities of Manchester Regional High School Board of Education include the food service program.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Manchester Regional High School Board of Education, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of these funds of the Manchester Regional High School Board of Education can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the district-wide financial statements. However, unlike the district-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflow of spendable resources*, as well as on balances of *spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the district-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the district-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*. The Manchester Regional High School Board of Education maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for

**MANCHESTER REGIONAL HIGH SCHOOL BOARD OF EDUCATION
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**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

USING THIS ANNUAL REPORT, (continued)

Governmental Funds, (continued)

the general fund, special revenue fund, capital projects and debt service fund which are all considered to be major funds.

The Manchester Regional High School Board of Education adopts annual appropriated budgets for its governmental funds except for the capital projects fund. A budgetary comparison statement has been provided for the general fund, special revenue fund and debt service fund to demonstrate compliance with their budgets.

Proprietary Funds

The Manchester Regional High School Board of Education maintains one proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the district-wide financial statements. The Manchester Regional High School Board of Education uses enterprise funds to account for its food service program.

Proprietary funds provide the same type of information as the district-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the local district services operations.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are *not* reflected in the district-wide financial statements because the resources of those funds are *not* available to support the Manchester Regional High School Board of Education's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The District does not have any fiduciary funds.

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning budgetary information for the District's major funds.

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the Required Supplemental Information and the Supplemental Information identified above. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

**MANCHESTER REGIONAL HIGH SCHOOL BOARD OF EDUCATION
HALEDON, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

DISTRICT-WIDE FINANCIAL ANALYSIS

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

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

The School District's net positions were \$26,733,093.03 at June 30, 2025 and \$17,736,930.35 at June 30, 2024. Restricted net positions are reported separately to show legal constraints that limit the School District's ability to use those items for day-to-day operations. Our analysis below focuses on the net position for 2025 compared to 2024 (Table 1) and change in net position (Table 2) of the School District.

Table 1

**Net Position
June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Assets						
Current and Other Assets	\$10,200,872.22	\$9,588,359.54	\$599,116.23	\$313,997.80	\$10,799,988.45	\$9,902,357.34
Capital Assets	<u>23,512,694.72</u>	<u>16,048,245.39</u>	<u>155,124.81</u>	<u>184,613.28</u>	<u>23,667,819.53</u>	<u>16,232,858.67</u>
Total Assets	<u>33,713,566.94</u>	<u>25,636,604.93</u>	<u>754,241.04</u>	<u>498,611.08</u>	<u>34,467,807.98</u>	<u>26,135,216.01</u>
Deferred Outflows	<u>335,385.00</u>	<u>320,199.00</u>			<u>335,585.00</u>	<u>320,199.00</u>
Other Liabilities	1,663,094.54	1,151,954.76	239,379.67	7,280.98	1,902,474.21	1,159,235.74
Long Term Liabilities	<u>5,882,734.74</u>	<u>7,272,486.92</u>			<u>5,882,734.74</u>	<u>7,272,486.92</u>
Total Liabilities	<u>7,545,829.28</u>	<u>8,424,441.68</u>	<u>239,379.67</u>	<u>7,280.98</u>	<u>7,785,208.95</u>	<u>8,431,722.66</u>
Deferred Inflows	<u>284,891.00</u>	<u>286,762.00</u>			<u>284,891.00</u>	<u>286,762.00</u>
Net Position						
Invested in Capital						
Assets	19,825,198.98	11,237,579.47	155,124.81	184,613.28	19,980,323.79	11,422,192.75
Restricted	8,787,174.79	8,206,885.39			8,787,174.79	8,206,885.39
Unrestricted	<u>(2,394,142.11)</u>	<u>(2,198,864.61)</u>	<u>359,736.56</u>	<u>306,716.82</u>	<u>(2,034,405.55)</u>	<u>(1,892,147.79)</u>
Total Net Position	<u>\$26,218,231.66</u>	<u>\$17,245,600.25</u>	<u>\$514,861.37</u>	<u>\$491,330.10</u>	<u>\$26,733,093.03</u>	<u>\$17,736,930.35</u>

**MANCHESTER REGIONAL HIGH SCHOOL BOARD OF EDUCATION
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**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Table 2 below shows the changes in net position for fiscal year 2025 compared to 2024.

Table 2

**Changes in Net Position
Year Ended June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Revenues						
Program Revenues:						
Charges for Services and Sales	\$533,917.10	\$394,134.22	\$372,608.24	\$287,073.68	\$906,525.34	\$681,207.90
Operating Grants and Contributions	1,408,617.47	1,757,407.94	382,734.66	383,723.82	1,791,352.13	2,141,131.76
General Revenues:						
Taxes:						
Property taxes	11,589,719.00	11,589,719.00			11,589,719.00	11,589,719.00
Federal and State Aid Not Restricted	18,881,838.00	16,760,506.15			18,881,838.00	16,760,506.15
Federal and State Aid Capital Outlay		2,108,585.00			0.00	2,108,585.00
Miscellaneous Income	412,836.99	493,248.57			412,836.99	493,248.57
Facilities Grant	<u>3,578,794.74</u>	<u>860,344.78</u>			<u>3,578,794.74</u>	<u>860,344.78</u>
Total Revenues and Transfers	<u>\$36,405,723.30</u>	<u>\$33,963,945.66</u>	<u>\$755,342.90</u>	<u>\$670,797.50</u>	<u>\$37,161,066.20</u>	<u>\$34,634,743.16</u>

**MANCHESTER REGIONAL HIGH SCHOOL BOARD OF EDUCATION
HALEDON, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Functions/Program Expenses						
Instruction:						
Regular	\$8,070,801.75	\$7,182,360.63			\$8,070,801.75	\$7,182,360.63
Special	2,156,477.57	1,852,901.96			2,156,477.57	1,852,901.96
Other Special						
Instruction	3,539.46	3,364.76			3,539.46	3,364.76
Other Instruction	941,823.36	913,792.18			941,823.36	913,792.18
Support Services:						
Tuition	5,915,567.84	6,934,817.15			5,915,567.84	6,934,817.15
Student & Instruction						0.00
Related Services	2,705,473.19	2,971,813.39			2,705,473.19	2,971,813.39
School Administrative						
Services	744,175.11	686,615.80			744,175.11	686,615.80
General Administrative						
Services	469,091.85	488,940.00			469,091.85	488,940.00
Central Services and						
Info. Tech.	880,568.80	861,281.75			880,568.80	861,281.75
Plant Operations and						
Maintenance	2,039,690.55	1,750,164.37			2,039,690.55	1,750,164.37
Pupil Transportation	1,535,952.86	1,738,874.80			1,535,952.86	1,738,874.80
Unallocated Benefits	1,435,066.05	2,075,023.83			1,435,066.05	2,075,023.83
Unallocated	529,098.50	363,408.83			529,098.50	363,408.83
Capital Outlay - Non-						
Depreciable	5,765.00	5,765.00			5,765.00	5,765.00
Charter Schools		279,577.00			0.00	279,577.00
Food Service			577,708.12	577,116.18	577,708.12	577,116.18
Community Services				3,287.90	0.00	3,287.90
Technology Services	<u> </u>	<u> </u>	<u>154,103.51</u>	<u>148,193.51</u>	<u>154,103.51</u>	<u>147,030.64</u>
Total Expenses and						
Transfers	<u>27,433,091.89</u>	<u>28,108,701.45</u>	<u>731,811.63</u>	<u>728,597.59</u>	<u>28,164,903.52</u>	<u>28,837,299.04</u>
Increase or (Decrease) in						
Net Position	<u>\$8,972,631.41</u>	<u>\$5,855,244.21</u>	<u>\$23,531.27</u>	<u>(\$57,800.09)</u>	<u>\$8,996,162.68</u>	<u>\$5,797,444.12</u>

**MANCHESTER REGIONAL HIGH SCHOOL BOARD OF EDUCATION
HALEDON, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Governmental and Business- Activities

As reported in the Statement of Activities, the cost of all of our governmental and business-type activities this year was \$28,164,903.50. However, the amount that our taxpayers ultimately financed for these activities through School District taxes was only \$11,589,719.00 because some of the cost was paid by those who benefitted from the programs \$906,525.34, by other governments and organizations who subsidized certain programs with grants and contributions \$1,791,352.13 and by miscellaneous sources \$22,873,469.73.

Revenues for the District's business-type activities (food service program) were comprised of charges for services and federal and state subsidy reimbursements. Significant financial results include the following:

- ✓ Food service expenses exceeded revenues by \$48,965.22.
- ✓ Charges for services provided totaled \$146,008.24. This represents amounts paid by consumers for daily food services.
- ✓ Federal and state reimbursement for meals served, including payments for free and reduced priced lunches, and donated commodities was \$382,734.66.
- ✓ Technology program revenues exceeded expenditures by \$72,496.49.

MAJOR GOVERNMENTAL FUNDS BUDGETING AND OPERATING HIGHLIGHTS

The School District's budgets are prepared according to New Jersey law, and are based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted funds are the general fund and the special revenue fund.

During the fiscal year ended June 30, 2025, the School District amended the budgets of these major governmental funds several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts. Several of these revisions bear notation:

- TPAF, which is the state's contribution to the pension fund, is neither a revenue item nor an expenditures item to the district but is required to be reflected in the financial statements.
- The special revenue fund was increased by \$286,611.11 for increase in federal and state grant awards.

**MANCHESTER REGIONAL HIGH SCHOOL BOARD OF EDUCATION
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**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

General Fund

The general fund actual revenue was \$33,217,002.53. That amount is \$3,766,291.53 above the final amended budget of \$29,450,711.00. The variance between the actual revenues and final budget was the result of non-budgeted on-behalf payments of \$3,308,174.05 for TPAF social security reimbursements and on-behalf pension payments and \$458,117.48 excess in miscellaneous anticipated revenues and other state and federal aids.

The actual expenditures of the general fund were \$31,088,587.96 including transfers which is \$946,005.02 below the final amended budget of \$32,034,593.88. The variance between the actual expenditures and final budget was due to non-budget on-behalf TPAF social security and pension payments of \$3,308,174.05 and \$4,254,179.07 of unexpended budgeted funds.

Special Revenue Fund

The special revenue fund actual revenue was \$1,689,987.13. That amount is more than the original budget estimate of \$1,387,318.00 and more than the final amended budget of \$1,673,929.11. The \$286,611.11 variance between the original and final budget was due to additional federal and state grant monies awarded to the District after the original budget was approved. The \$16,058.02 variance between the final amended budget and the June 30, 2025 actual results was due to the deferral of Federal and State grants received in the current fiscal year to be spent in the next fiscal year.

The actual expenditures of the special revenue fund were \$1,560,217.12 which is more than the original budget of \$1,387,318.00 and below the final amended budget of \$1,673,929.11. The \$286,611.11 variance between the original and final budget was due to additional expenditures related to the additional grants awarded to the District after the original budget was approved. The \$113,711.99 variance between the final amended budget and the June 30, 2025 actual results was due to the anticipation of fully expending federal and state grant programs. Expenditures will be incurred in the next fiscal year.

**MANCHESTER REGIONAL HIGH SCHOOL BOARD OF EDUCATION
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**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2025, the School District had \$33,194,774.96 invested in sites, buildings and equipment, and construction in progress. Of this amount, \$9,526,955.43 in depreciation has been taken over the years. We currently have a net book value of \$23,667,819.53. Total additions for the year were \$8,173,276.43, the majority of which was for facility improvements, and technology and maintenance equipment. Table 3 shows fiscal year 2025 balances compared to 2024.

Table 3
Capital assets at June 30,
(Net of Depreciation)

	<u>Governmental Activities</u>		<u>Business Activities</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Construction in Progress	\$14,236,799.32	\$7,691,465.27	\$	\$	\$14,236,799.32	\$7,691,465.27
Land Improvements	1,934,279.57	2,056,652.35			1,934,279.57	2,056,652.35
Buildings and Improvements	5,018,931.66	4,355,145.49	68,051.11	75,705.27	5,086,982.77	4,430,850.76
Furniture, Equipment And Vehicles	<u>2,322,684.17</u>	<u>1,944,982.28</u>	<u>87,073.70</u>	<u>108,908.01</u>	<u>24,097,757.87</u>	<u>2,053,890.29</u>
	<u>\$23,512,694.72</u>	<u>\$16,048,245.39</u>	<u>\$155,124.81</u>	<u>\$184,613.28</u>	<u>\$23,667,819.53</u>	<u>\$16,232,858.67</u>

Debt Administration

At June 30, 2025, the District had \$5,882,734.74 of long-term debt. Of this amount, \$24,360.00 is for compensated absences, \$2,170,879.00 is for net pension liability and \$3,687,495.74 for the lease purchase agreement.

**MANCHESTER REGIONAL HIGH SCHOOL BOARD OF EDUCATION
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**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The District's 2025-26 budget relies predominantly on local property taxes as its primary funding source. With the anticipated expiration of federal funds and the possibility of New Jersey state aid funding being decreased or frozen, the Board of Education has prioritized controlling expenditures to minimize the impact on the local tax levy. However, the budget faces significant challenges, including the continued increase in out-of-district costs, particularly for students attending Passaic County Technical-Vocational Schools, and a 12% rise in transportation expenses for out-of-district students and private school aid-in-lieu reimbursements. Adding to these financial pressures are the rising costs of hiring staff at higher salaries due to shrinking labor pool, a 13% increase in medical benefits, and the erosion of the District's purchasing power caused by inflation. These factors will require careful strategic planning to sustain current programs and address the District's financial obligations effectively.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Manchester Regional High School Board of Education's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

School Business Administrator
Manchester Regional High School Board of Education
70 Church Street
Haledon, New Jersey 07508

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Statement of Net Position
June 30, 2025

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	631,981.55	511,546.21	1,143,527.76
Receivables, net	2,500,016.68	87,570.02	2,587,586.70
Restricted Assets:			
Cash and cash equivalents	7,068,873.99		7,068,873.99
Capital Assets, net :			
Construction in Progress	14,236,799.32		14,236,799.32
Depreciable Building and Improvements and Machinery and Equipment	9,275,895.40	155,124.81	9,431,020.21
Total Assets	<u>33,713,566.94</u>	<u>754,241.04</u>	<u>34,467,807.98</u>
DEFERRED OUTFLOWS			
Deferred Outflows of Resources Related to PERS - Pension	<u>335,385.00</u>		<u>335,385.00</u>
LIABILITIES			
Cash Deficits	138,561.51		138,561.51
Accounts Payable and Accrued Liabilities	507,630.95	-	507,630.95
Interfunds Payable	-	232,098.69	232,098.69
Payroll Deductions and Withholdings Payable	606,343.10		606,343.10
Payable to State Government	41,942.00	15.97	41,957.97
Payable to Federal Government	-	7,265.01	7,265.01
Unearned Revenue	368,616.98	-	368,616.98
Noncurrent Liabilities:			
Due beyond one year	5,882,734.74		5,882,734.74
Total Liabilities	<u>7,545,829.28</u>	<u>239,379.67</u>	<u>7,785,208.95</u>
DEFERRED INFLOWS			
Deferred Inflows of Resources Related to PERS - Pension	<u>284,891.00</u>		<u>284,891.00</u>
NET POSITION			
Invested in Capital Assets	19,825,198.98	155,124.81	19,980,323.79
Restricted for:			
Capital Projects	6,048,318.55		6,048,318.55
Other Purposes	2,738,856.24		2,738,856.24
Unrestricted (Deficit)	(2,394,142.11)	359,736.56	(2,034,405.55)
Total Net Position	<u><u>26,218,231.66</u></u>	<u><u>514,861.37</u></u>	<u><u>26,733,093.03</u></u>

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

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2025

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues		Net (Expense) Revenue and Changes in Net Assets		
			Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
Instruction:							
Regular	6,642,779.26	1,428,022.48		981,740.48	(7,089,061.26)		(7,089,061.26)
Special Education	1,917,304.12	239,173.45			(2,156,477.57)		(2,156,477.57)
Other Special Instruction	3,539.46	-			(3,539.46)		(3,539.46)
Other Instruction	786,099.32	155,724.04			(941,823.36)		(941,823.36)
Support services:							
Tuition	5,915,567.84	-			(5,915,567.84)		(5,915,567.84)
Student & Instruction Related Services	2,351,272.52	354,200.67	281,369.66 *	426,876.99 *	(1,997,226.54)		(1,997,226.54)
School Administrative Services	488,792.55	255,382.56			(744,175.11)		(744,175.11)
General Administrative Services	410,010.65	59,081.20			(469,091.85)		(469,091.85)
Central Services & Admin. Info. Technology	770,719.39	109,849.41			(880,568.80)		(880,568.80)
Plant Operations and Maintenance	1,887,443.61	152,246.94			(2,039,690.55)		(2,039,690.55)
Pupil Transportation	1,535,952.86	-	252,547.44		(1,283,405.42)		(1,283,405.42)
Unallocated Benefits	1,435,066.05	-			(1,435,066.05)		(1,435,066.05)
Capital Outlay - Non-depreciable	5,765.00	-			(5,765.00)		(5,765.00)
Unallocated Depreciation	529,098.50	-			(529,098.50)		(529,098.50)
Total Governmental Activities	24,679,411.13	2,753,680.76	533,917.10	1,408,617.47	(25,490,557.32)	-	(25,490,557.32)
Business-type Activities:							
Food Service	577,708.12		146,008.24	382,734.66		(48,965.22)	(48,965.22)
Interlocal Technology Program	154,103.51		226,600.00			72,496.49	72,496.49
Total Business-type Activities	731,811.63		372,608.24	382,734.66		23,531.27	23,531.27
Total Primary Government	25,411,222.76		906,525.34	1,791,352.13	(25,490,557.32)	23,531.27	(25,467,026.05)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes					11,589,719.00		11,589,719.00
Federal and State Aid not Restricted					18,881,838.00		18,881,838.00
Miscellaneous Income					412,836.99		412,836.99
Capital Facilities Grant					3,578,794.74		3,578,794.74
Total General #					34,463,188.73		34,463,188.73
Change in Net Position					8,972,631.41	23,531.27	8,996,162.68
Net Position—Beginning (restated)					17,245,600.25	491,330.10	17,736,930.35
Net Position—Ending					26,218,231.66	514,861.37	26,733,093.03

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

* Student activity revenue is reported as "charges for services"; scholarship revenue is reported as "operating grants and contributions".

FUND FINANCIAL STATEMENTS

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT

Balance Sheet
Governmental Funds
June 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents		311,735.46	320,246.09	631,981.55
Tax Levy Receivable	1,596,735.00			1,596,735.00
Interfund Receivables	232,098.69			232,098.69
Receivables from Other Governments	472,892.99	198,290.00		671,182.99
Restricted Cash and Cash Equivalents	6,664,552.88	404,321.11		7,068,873.99
Total Assets	<u>8,966,279.56</u>	<u>914,346.57</u>	<u>320,246.09</u>	<u>10,200,872.22</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Cash Deficit	138,561.51			138,561.51
Accounts Payable	155,768.47	100,166.48		255,934.95
Payroll Deductions and Withholdings Payable	606,343.10			606,343.10
Payable to State Government		41,942.00		41,942.00
Unearned Revenue	700.00	367,916.98		368,616.98
Total Liabilities	<u>901,373.08</u>	<u>510,025.46</u>		<u>1,411,398.54</u>
Fund Balances:				
Restricted for:				
Emergency Reserve	170,270.35			170,270.35
Maintenance Reserve	449,900.00			449,900.00
Capital Reserve	5,728,072.46			5,728,072.46
Excess Surplus -- Current Year	700,000.00			700,000.00
Excess Surplus -- Designated for Subsequent Year's Expenditures	700,000.00			700,000.00
Unemployment Compensation	314,364.78			314,364.78
Student Activities		404,321.11		404,321.11
Capital Projects			320,246.09	320,246.09
Assigned to:				
Other Purposes - Encumbrances	527,601.61			527,601.61
Designated by the BOE for Subsequent Year's Expenditures	369,315.00			369,315.00
Unassigned:				
General Fund	(894,617.72)			(894,617.72)
Total Fund Balances	<u>8,064,906.48</u>	<u>404,321.11</u>	<u>320,246.09</u>	<u>8,789,473.68</u>
Total Liabilities and Fund Balances	<u>8,966,279.56</u>	<u>914,346.57</u>	<u>320,246.09</u>	

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 \$32,643,408.54 and the accumulated depreciation is \$9,130,713.82.

23,512,694.72

Accounts Payable for subsequent Pension payment is not a payable in the funds

(251,696.00)

Deferred Outflows and Inflows of resources are applicable to future periods and therefore are not reported in the funds.

Deferred Outflows of Resources Related to PERS
Pension Liability

335,385.00

Deferred Inflows of Resources Related to PERS
Pension Liability

(284,891.00)

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.

(5,882,734.74)

Net position of governmental activities

26,218,231.66

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

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2025

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
REVENUES				
Local Sources:				
Local Tax Levy	11,589,719.00			11,589,719.00
Transportation Fees	252,547.44			252,547.44
Miscellaneous	335,044.09	284,581.13 *	77,792.90	697,418.12
Total - Local Sources	12,177,310.53	284,581.13	77,792.90	12,539,684.56
State Sources	20,733,319.05	622,896.00	3,578,794.74	24,935,009.79
Federal Sources	9,286.95	782,510.00		791,796.95
Total Revenues	<u>32,919,916.53</u>	<u>1,689,987.13</u>	<u>3,656,587.64</u>	<u>38,266,491.30</u>
EXPENDITURES				
Current:				
Regular Instruction	5,790,808.79	851,970.47		6,642,779.26
Special Education Instruction	1,917,304.12			1,917,304.12
Other Special Instruction	3,539.46			3,539.46
Other Instruction	786,099.32			786,099.32
Support Services and Undistributed Costs:				
Tuition	5,915,567.84			5,915,567.84
Student & Instruction Related Services	1,643,025.87	708,246.65 **		2,351,272.52
School Administrative Services	488,792.55			488,792.55
General Administrative Services	410,010.65			410,010.65
Central & Admin. Inf. Technology	770,719.39			770,719.39
Plant Operations and Maintenance	1,887,443.61			1,887,443.61
Pupil Transportation	1,535,952.86			1,535,952.86
Unallocated Benefits	6,119,125.21			6,119,125.21
Capital Outlay	3,820,198.29		5,482,013.32	9,302,211.61
Total Expenditures	<u>31,088,587.96</u>	<u>1,560,217.12</u>	<u>5,482,013.32</u>	<u>38,130,818.40</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,831,328.57</u>	<u>129,770.01</u>	<u>(1,825,425.68)</u>	<u>135,672.90</u>
Net Change in Fund Balances	1,831,328.57	129,770.01	(1,825,425.68)	135,672.90
Fund Balance—July 1	<u>6,233,577.91</u>	<u>274,551.10</u>	<u>2,145,671.77</u>	<u>8,653,800.78</u>
Fund Balance—June 30	<u>8,064,906.48</u>	<u>404,321.11</u>	<u>320,246.09</u>	<u>8,789,473.68</u>

* Special Revenue Fund now includes revenues from Student Activities.

** Special Revenue Fund now includes expenditures from Student Activities.

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

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2025

Total net change in fund balances - governmental funds (from B-2) 135,672.90

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	(708,827.10)	
Depreciable Capital Outlays	<u>8,173,276.43</u>	7,464,449.33

Repayment of long-term debt is reported as 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.

In the current year, these amounts consist of:

Principal Payments on Lease Purchase Agreement	1,123,170.18
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In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).

Increase/(Decrease) in Compensated Absences Payable	12,340.00
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District pension contributions are reported as expenditures in the governmental funds when made.

However, per GASB No. 68 they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.

District Pension Contributions	217,394.00	
Less: Pension Expense	<u>(19,605.00)</u>	
(Increase)/Decrease in Pension Expense		236,999.00

Per GASB No. 68 Non-employer contributing entities are required to record an increases in revenue and expense for On-behalf TPAF pension payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements

Increase/(Decrease) in On-behalf State Aid TPAF Pension	(2,247,420.00)
(Increase)/Decrease in On-behalf TPAF Pension Expense	2,247,420.00

Per GASB No. 75 Non-employer contributing entities are required to record an increases in revenue and expense for On-behalf TPAF post retirement medical payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements

Increase in On-behalf State Aid TPAF Post Employment Medical	386,652.00
(Increase) in On-behalf TPAF Post Employment Medical	(386,652.00)

Change in net position of governmental activities	<u><u>8,972,631.41</u></u>
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The accompanying Notes to Basic Financial Statements are an integral part of this statement.

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2025

	Business-Type Activities - Enterprise Fund			
	Food Service Program	Community Services Program	Interlocal Technology Program	Total Enterprise Fund
ASSETS				
Current Assets:				
Cash and Cash Equivalents	40,291.19		484,030.44	524,321.63
Accounts Receivable:				
State	1,425.73			1,425.73
Federal	22,891.89			22,891.89
Other	63,252.40			63,252.40
Total Current Assets	<u>127,861.21</u>	<u></u>	<u>484,030.44</u>	<u>611,891.65</u>
Noncurrent Assets:				
Capital Assets:				
Equipment	531,171.15		20,195.27	551,366.42
Less Accumulated Depreciation	<u>(376,046.34)</u>	<u></u>	<u>(20,195.27)</u>	<u>(396,241.61)</u>
Total Capital Assets (Net of Accumulated Depreciation)	<u>155,124.81</u>	<u></u>	<u></u>	<u>155,124.81</u>
Total Assets	<u><u>282,986.02</u></u>	<u><u></u></u>	<u><u>484,030.44</u></u>	<u><u>767,016.46</u></u>
LIABILITIES				
Current Liabilities:				
Cash Deficit		12,775.42		12,775.42
Payable to Federal Government	7,265.01			7,265.01
Payable to State Government	15.97			15.97
Interfunds Payable	<u>232,098.69</u>	<u></u>	<u></u>	<u>232,098.69</u>
Total Current Liabilities	<u>239,379.67</u>	<u>12,775.42</u>	<u></u>	<u>252,155.09</u>
Total Liabilities	<u>239,379.67</u>	<u>12,775.42</u>	<u></u>	<u>252,155.09</u>
NET POSITION				
Invested in Capital Assets Net of Related Debt	155,124.81			155,124.81
Unrestricted	<u>(111,518.46)</u>	<u>(12,775.42)</u>	<u>484,030.44</u>	<u>359,736.56</u>
Total Net Position	<u><u>43,606.35</u></u>	<u><u>(12,775.42)</u></u>	<u><u>484,030.44</u></u>	<u><u>514,861.37</u></u>

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

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2025

	Business-Type Activities - Enterprise Fund			
	Food Service Program	Community Services Program	Interlocal Technology Program	Total Enterprise Fund
Operating Revenues:				
Charges for Services:				
Daily Sales - Reimbursable Programs	75,089.00			75,089.00
Daily Sales - Non-Reimbursable Programs	62,979.24			62,979.24
Special Functions	7,940.00			7,940.00
Miscellaneous - Program Fees			226,600.00	226,600.00
Total Operating Revenues	146,008.24		226,600.00	372,608.24
Operating Expenses:				
Cost of Food	295,687.22			
Salaries	149,121.94		154,103.51	303,225.45
Supplies and Materials	17,878.28			17,878.28
Employee Benefits	11,335.96			11,335.96
Purchased Professional Services	65,094.70			65,094.70
Cleaning Repair & Maintenance	9,101.55			9,101.55
Depreciation	29,488.47			29,488.47
Total Operating Expenses	577,708.12		154,103.51	436,124.41
Operating Income (Loss)	(431,699.88)		72,496.49	(63,516.17)
Nonoperating Revenues (Expenses):				
State Sources:				
State School Lunch Program	15,162.31			15,162.31
State School Breakfast Program	3,039.65			3,039.65
Summer Food Service Program	93.00			93.00
P-EBT Administrative Cost Reimbursement	321.50			321.50
Federal Sources:				
National School Lunch Program	268,054.28			268,054.28
National School Breakfast Program	25,305.87			25,305.87
HHFKA Program	7,725.78			7,725.78
Summer Food Service Program	4,770.90			4,770.90
Food Distribution Program	57,939.87			57,939.87
P-EBT Administrative Cost Reimbursement	321.50			321.50
Total Nonoperating Revenues (Expenses)	382,734.66			382,734.66
Income (Loss) Before Contributions & Transfers	(48,965.22)		72,496.49	319,218.49
Change in Net Position	(48,965.22)		72,496.49	319,218.49
Total Net Position—Beginning	92,571.57	(12,775.42)	411,533.95	491,330.10
Total Net Position—Ending	43,606.35	(12,775.42)	484,030.44	810,548.59

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

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2025

	Business-Type Activities - Enterprise Fund			
	Food Service Program	Community Services Program	Interlocal Technology Program	Total Enterprise Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers	91,142.59		226,600.00	317,742.59
Payments for Interfunds	(83,178.52)			(83,178.52)
Payments to Employees	(82,100.07)		(154,103.51)	(236,203.58)
Payments for Employee Benefits	(6,280.65)			(6,280.65)
Payments to Suppliers	(249,005.43)			(249,005.43)
Payments for Miscellaneous Expenses	(11,523.70)			(11,523.70)
Net Cash Provided by (Used for) Operating Activities	<u>(340,945.78)</u>		<u>72,496.49</u>	<u>(268,449.29)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
State Sources	17,890.93			17,890.93
Federal Sources	321,893.76			321,893.76
Net Cash Provided by (Used for) Non-Capital Financing Activities	<u>339,784.69</u>			<u>339,784.69</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(1,161.09)		72,496.49	71,335.40
Balances—Beginning of Year	41,452.28	(12,775.42)	411,533.95	440,210.81
Balances—End of Year	<u>40,291.19</u>	<u>(12,775.42)</u>	<u>484,030.44</u>	<u>511,546.21</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating Income (Loss)	(431,699.88)		72,496.49	(359,203.39)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used for) Operating Activities:				
Depreciation and Net Amortization	29,488.47			29,488.47
Food Distribution Program Donated Commodities	57,939.87			57,939.87
(Increase) Decrease in Accounts Receivable, Net	(58,388.50)			(58,388.50)
(Increase) Decrease in Inventories	5,029.00			5,029.00
Increase (Decrease) in Other Current Liabilities	56,685.26			56,685.26
Total Adjustments	<u>90,754.10</u>			<u>90,754.10</u>
Net Cash Provided by (Used for) Operating Activities	<u>(340,945.78)</u>		<u>72,496.49</u>	<u>(268,449.29)</u>

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

NOTES TO THE FINANCIAL STATEMENTS

**Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education of the Manchester Regional High School District have been prepared in conformity with accounting principles generally accepted in the United States of America (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.

A. Description of the School District and Reporting Entity

The Board of Education ("Board") of the Manchester Regional High School District ("District") is an instrumentality of the State of New Jersey, established to function as an educational institution. The Manchester Regional High School District is a Type II district located in the County of Passaic, 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 9-12. The School District serves the high school needs of the Boroughs of Haledon, North Haledon and Prospect Park. A superintendent is appointed by the Board and is responsible for the administrative control of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls.

Governmental Accounting Standards Board publication, Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards and commissions by the primary government. The exercise of oversight responsibility includes financial interdependency and a resulting financial benefit or burden relationship, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. In addition, certain legally separate, tax-exempt entities that meet specific criteria (i.e. benefit of economic resources, access/entitlement to economic resources, and significance) should be included in the financial reporting entity. The combined financial statements include all funds of the District over which the Board exercises operating control. The District operates a high school located in the Borough of Haledon. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

**Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Basis of Presentation

The Board'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.

District-wide Financial Statements

The statement of net position and the statement of activities display information about the Board as a whole. These statements include the financial activities of the overall District, except for the fiduciary funds. The statements distinguish between those activities of the Board that are governmental and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities of the Board at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the governmental activities and for the business-type activities of the Board. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Board, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the Board.

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 - *government*, *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. The various funds of the Board are grouped into the categories governmental, proprietary and fiduciary.

**Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Basis of Presentation, (continued)

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions of the Board are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Board's governmental funds:

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

As required by the New Jersey State Department of Education, the Board includes budgeted Capital Outlay in this fund. Accounting principles generally accepted in the United States of America 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.

Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The financial resources are derived from sale of bonds, lease purchases and other revenues.

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.

**Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Basis of Presentation, (continued)

PROPRIETARY FUNDS

The focus of Proprietary Fund measurement is upon determination of net income, changes in net position, financial position and cash flows. The accounting principles generally accepted in the United States of America applicable are those similar to businesses in the private sector. Proprietary funds are classified as enterprise or internal service; the Board has no internal service funds. The following is a description of the Proprietary Funds of the Board:

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

The Board's Enterprise Fund is comprised of the Food Service Fund, Interlocal Technology Program and the Community School Programs.

FIDUCIARY FUNDS

Fiduciary Fund - Fiduciary Fund reporting focuses on net position and changes in net position. The Fiduciary Funds are used to account for assets held by the Board on behalf of individuals, private organizations, other governments and/or other funds. The District does not have any activities that are required to be included in the Fiduciary Fund.

C. Measurement Focus

District-wide Financial Statements

The District-wide statements (i.e., the statement of net position and the statement of activities) are prepared using the economic resources measurements focus and the accrual basis of accounting. All assets and liabilities associated with the operation of the Board are included on the statement of net position, except for fiduciary funds.

**Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

C. Measurement Focus, (continued)

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the District-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the District-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the Board finances and meets the cash flow needs of its proprietary activities.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The District-wide financial statements and the financial statements of the proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that 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.

**Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

D. Basis of Accounting, (continued)

Revenues - Exchange and Non-exchange Transactions, (continued)

Nonexchange transactions, in which the Board receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. 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 year when use is first permitted, matching requirements, in which the Board must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Board on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under GAAP, in accordance with GASB No. 33, Accounting and Financial Reporting for Nonexchange Transactions, the last state aid payment is not considered revenue to the school district if the state has not recorded the corresponding expenditure, even though state law dictates recording the revenue.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: ad valorem property taxes, tuition, unrestricted grants and interest.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue.

The measurement of focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

E. Budgets/Budgetary Control

Annual appropriated budgets are adopted in the spring of the preceding year for the general, and special revenue funds. The budgets are submitted to the county superintendents office for approval. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2(g)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year.

**Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

E. Budgets/Budgetary Control, (continued)

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and 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.

F. Encumbrances

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

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

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

G. Cash, Cash Equivalents and Investments

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

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

**Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

G. Cash, Cash Equivalents and Investments, (continued)

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

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

H. Tuition Payable

Tuition charges were established by the receiving district. The charges are subject to adjustment when the final costs have been determined.

I. Inventories

On District-wide financial statements, inventories are presented at cost, which approximates market on a first-in, first-out basis and are expensed when used.

On fund financial statements inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Inventories of proprietary funds consist of food and goods held for resale, as well as supplies, and are expensed when used.

J. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2025, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

K. Short-Term Interfund Receivables/Payables

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

L. Capital Assets

General capital assets are those assets not specifically related to activities reported in the enterprise fund. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the district -wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the enterprise fund are reported both in the business-type activity column of the District-wide statement of net position and in the fund.

All capital assets acquired or constructed during the year are recorded at actual cost. Donated capital assets are valued at their acquisition value on the date received. The capital assets acquired or constructed prior to June 30, 1993 are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. The Board maintains a capitalization threshold of \$2,000. The Board does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activity Estimated Lives</u>
Sites and Improvements	20 years	N/A
Buildings and Improvements	7-50 years	N/A
Furniture, Equipment and Vehicles	5-20 years	5-20 years

M. Compensated Absences

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

**Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

M. Compensated Absences, (continued)

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.

N. Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Unearned revenue in the special revenue fund represents cash that has been received but not yet earned. See Note 1(F) regarding the special revenue fund.

O. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in 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, claims and judgements, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current year. Bonds, long-term obligations, and capital leases that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

P. Accounting and Financial Reporting for Pensions

In fiscal year 2015, the District implemented GASB 68. This Statement amends GASB Statement No. 27. It improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement replaces the requirement of Statement No. 27, *Accounting for Pension by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement.

**Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

P. Accounting and Financial Reporting for Pensions, (continued)

The District has also implemented GASB Statement 71, Pension Transition for Contributions made Subsequent to the Measurement Date-an amendment to GASB No. 68. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, Accounting and Financial Reporting for Pensions. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

Statement 68 requires a state or local government employer (or nonemployer contributing entity in a special funding situation) to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. If a state or local government employer or nonemployer contributing entity makes a contribution to a defined benefit pension plan between the measurement date of the reported net pension liability and the end of the government's reporting period, Statement 68 requires that the government recognize its contribution as a deferred outflow of resources.

In addition, Statement 68 requires recognition of deferred outflows of resources and deferred inflows of resources for changes in the net pension liability of a state or local government employer or nonemployer contributing entity that arise from other types of events. At transition to Statement 68, if it is not practical for an employer or nonemployer contributing entity to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, paragraph 137 of Statement 68 required that beginning balances for deferred outflows of resources and deferred inflows of resources not be reported. Consequently, if it is not practical to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, contributions made after the measurement date of the beginning net pension liability could not have been reported as deferred outflows of resources at transition. This could have resulted in a significant understatement of an employer or nonemployer contributing entity's beginning net position and expense in the initial period of implementation.

This Statement amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts.

**Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Q. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has only one item that qualifies for reporting in this category, deferred amounts related to pension.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies in this category, deferred amounts related to pension.

R. Right to Use Assets

The District has not recorded right to use lease assets as a result of implementing GASB 87. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related issue.

S. Fund Balances

Fund balance is divided into five classifications based primarily on the extent to which the Board is bound to observe constraints imposed upon the resources in the governmental funds. The classifications are as follows:

- **Nonspendable** fund balance includes amounts that are not in a spendable form (inventory, for example) or are required to be maintained intact (the principal of an endowment fund, for example).
- **Restricted** fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers (for example, grant providers), constitutionally, or through enabling legislation (that is, legislation that creates a new revenue source and restricts its use). Effectively, restrictions may be changed or lifted only with the consent of resource providers.

**Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

S. Fund Balances, (continued)

- **Committed** fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the Board's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.
- **Assigned** fund balance comprises amounts *intended* to be used by the Board for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.
- **Unassigned** fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. If another governmental fund has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund. Positive unassigned amounts will be reported only in the general fund.

T. 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 balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Board or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The Board applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

U. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the Board, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund

**Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

V. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the fiscal year.

W. 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. TPAF on-behalf contributions and changes in compensated absences have not been allocated and have been reported as unallocated benefits on the Statement of Activities. 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 as unallocated depreciation. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

X. Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that effect certain reports, amounts and disclosures. Accordingly, actual results could differ from those estimates.

Y. Recently Issued Accounting Pronouncements

The GASB has issued the following statements that will become effective for the School District for fiscal years ending June 30, 2025 and 2026:

GASB Statement No. 101, Compensated Absences, became effective beginning with the fiscal year ending June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Y. Recently Issued Accounting Pronouncements, (continued)

In December 2023, the Government Accounting Standards Board issued GASB Statement No. 102, *Certain Risk Disclosures*. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

In April 2024, the Government Accounting Standards Board issued GASB Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its' effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter, though, earlier application is encouraged. Management is currently reviewing the provisions of this Statement and plans to implement, as needed, before the effective date.

In September 2024, the Government Standards Board issued GASB Statement No. 104, *Disclosure of Certain Capital Assets*. This Statement will provide users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. The requirements of this Statement are effective for periods beginning after June 15, 2025. Management is currently reviewing the provisions of this Statement and its effect on the financial statements of the District.

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Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2025, \$-0- of the District's bank balance of \$8,747,391.96 was exposed to custodial credit risk.

Investments

Investment Rate Risk

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

Credit Risk

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

Concentration of Credit Risk

The District places no limit on the amount the District may invest in any one issuer.

Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 3. RECEIVABLES

Receivables at June 30, 2025, consisted of accounts receivable, interfund and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial Statements	Enterprise Fund	District Wide Financial Statements
Tax Levy	\$1,596,735.00	\$	\$1,596,735.00
State Aid	472,304.49	1,425.73	473,730.22
Federal Aid	198,290.00	22,891.89	221,181.89
Other	588.50	63,252.40	63,840.90
Interfunds	<u>232,098.69</u>		
Gross Receivables	2,500,016.68	87,570.02	2,355,488.01
Less: Allowance for Uncollectibles	_____	_____	_____
Total Receivables, Net	<u>\$2,500,016.68</u>	<u>\$87,570.02</u>	<u>\$2,355,488.01</u>

NOTE 4. INTERFUND BALANCES AND ACTIVITY

Balances due to/from other funds at June 30, 2025, consist of the following:

\$232,098.96 Due to the General Fund from the Enterprise Fund to reimburse the General Fund for expenditures for goods or services.

\$232,098.96

It is anticipated that all interfunds will be liquidated during the fiscal year.

Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 5. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2025 was as follows:

	<u>Balance</u> <u>6/30/24</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>6/30/25</u>
Governmental Activities				
Capital Assets that are not being depreciated:				
Construction in progress	<u>\$7,691,465.27</u>	<u>\$7,543,645.44</u>	<u>\$(998,311.39)</u>	<u>\$14,236,799.32</u>
Total capital assets not being depreciated	<u>7,691,465.27</u>	<u>7,543,645.44</u>	<u>(998,311.39)</u>	<u>14,236,799.32</u>
Land Improvements	2,794,316.13		43,000.00	2,837,316.13
Buildings and Building Improvements	10,940,182.47		955,311.39	11,895,493.86
Machinery and Equipment	<u>3,044,168.24</u>	<u>629,630.99</u>		<u>3,673,799.23</u>
Totals at historical cost	<u>16,778,666.84</u>	<u>629,630.99</u>	<u>998,311.39</u>	<u>18,406,609.22</u>
Less accumulated depreciation for:				
Land Improvements	(737,663.78)	(165,372.78)		(903,036.56)
Building and Improvements	(6,585,036.98)	(291,525.22)		(6,876,562.20)
Equipment	<u>(1,099,185.96)</u>	<u>(251,929.10)</u>		<u>(1,351,115.06)</u>
Total accumulated depreciation	<u>(8,421,886.72)</u>	<u>(708,827.10)</u>		<u>(9,130,713.82)</u>
Total Capital Assets Being Depreciated,				
Net of accumulated depreciation	<u>8,356,780.12</u>	<u>(79,196.11)</u>	<u>998,311.39</u>	<u>9,275,895.40</u>
Government Activities Capital Assets, Net	<u>\$16,048,245.39</u>	<u>\$7,464,449.33</u>	<u>\$</u>	<u>\$23,512,694.72</u>

	<u>Balance</u> <u>6/30/24</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>6/30/25</u>
Business-Type Activities				
Buildings and Improvements	\$117,803.17	\$	\$	\$117,803.17
Equipment	433,563.25			433,563.25
Construction in progress	-			
Less Accumulated Depreciation for:				
Buildings and Improvements	(42,097.90)	(7,654.16)		(49,752.06)
Equipment	<u>(324,655.24)</u>	<u>(21,834.31)</u>		<u>(346,489.55)</u>
Business-Type Activities Capital Assets, Net	<u>\$184,613.28</u>	<u>\$(29,488.47)</u>	<u>\$</u>	<u>\$155,124.81</u>

Depreciation expense was charged to governmental functions as follows:

Instructional - Regular	\$45,263.18
School Administrative Services	134,465.42
Unallocated Depreciation	<u>529,098.50</u>
	<u>\$708,827.10</u>

Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 6. LONG-TERM OBLIGATION ACTIVITY

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

	<u>Balance</u> <u>June 30, 2024</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance</u> <u>June 30, 2025</u>	<u>Amounts</u> <u>Due</u> <u>Within</u> <u>One Year</u>
Net Pension Liability	\$2,425,121.00	\$	\$(254,242.00)	\$2,170,879.00	\$
Lease Purchase Agreement	4,810,665.92		(1,123,170.18)	3,687,495.74	
Compensated Absences Payable	<u>36,700.00</u>	<u>1,840.00</u>	<u>(14,180.00)</u>	<u>24,360.00</u>	<u> </u>
Total Governmental Activities	<u>\$7,272,486.92</u>	<u>\$1,840.00</u>	<u>\$(1,391,592.18)</u>	<u>\$5,882,734.74</u>	<u>\$ </u>

A. Bonds Payable:

The Board issued General Obligation Bonds to provide funds for the acquisition and construction of major capital facilities and other capital assets.

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. At June 30, 2025 the board had no bonds payable.

B. Bonds Authorized But Not Issued:

As of June 30, 2025 the Board has no authorized but not issued bonds.

C. Financed Purchases Payable:

On September 8, 2023 the District entered into a Lease Purchase Agreement in the amount of \$5,907,660.00 at an interest rate of 4.60%. The proceeds will be used for various improvements and equipment upgrades.

Principal and interest due on the Lease Purchase Agreement is as follows:

<u>Due Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
08/01/26	\$1,174,580.95	\$168,787.42	\$1,343,368.37
08/01/27	1,228,344.94	115,023.43	1,343,368.37
08/01/28	<u>1,284,569.86</u>	<u>58,798.52</u>	<u>1,343,368.38</u>
	<u>\$3,687,495.75</u>	<u>\$342,609.37</u>	<u>\$4,030,105.12</u>

Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 6. LONG-TERM OBLIGATION ACTIVITY, (continued)

D. Compensated Absences:

District employees are entitled to sick, vacation, and personal leave in accordance with Board policy and negotiated agreements. Unused leave may accumulate and, in certain cases, is payable upon retirement, resignation or termination.

Effective for the year ended June 30, 2025, the District implemented GASB Statement No. 101, Compensated Absences, which requires recognition of a liability for leave that (a) has not been used and (b) has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. The calculated compensated absences balance is reported as a liability in the district-wide financial statements.

For purposes of measuring its liability, the District has determined that only employees age 55 and older are included, as this represents the group reasonably expected to meet retirement eligibility requirements.

At June 30, 2025, the District's compensated absences liability was \$24,360.00.

NOTE 7. 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 Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625 or reports can be accessed on the internet at: <http://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS, (continued)

Benefits Provided

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 fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

The following represents the membership tiers for TPAF:

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

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

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.

Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS, (continued)

Benefits Provided

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

The following represents the membership tiers for PERS:

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

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

Defined Contribution Retirement Program

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or TPAF, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS, (continued)

Defined Contribution Retirement Program, (continued)

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

Contributions Requirements Fund Based Statements

The Board's contribution to PERS AND DCRP, equal to the required contributions for each year as reported in the fund based statements, were as follows:

<u>Year</u> <u>Ending</u>	<u>PERS</u>	<u>DCRP</u>
6/30/25	\$217,396.00	\$7,908.60
6/30/24	233,775.00	10,108.54
6/30/23	217,604.00	13,175.34

The State of New Jersey contribution to TPAF (paid on-behalf of the District) for normal and post retirement benefits have been included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13, as follows:

<u>Year</u> <u>Ending</u>	<u>Pension</u> <u>Contributions</u>	<u>Post-Retirement</u> <u>Medical</u> <u>Contributions</u>	<u>NCGI</u> <u>Premium</u>	<u>LTD</u> <u>Liability</u>
6/30/25	\$2,117,520.00	\$626,405.00	\$26,230.00	\$1,058.00
6/30/24	2,450,274.00	674,480.00	27,944.00	1,139.00
6/30/23	2,307,109.00	614,481.00	32,009.00	1,079.00

In addition, the post-retirement medical benefits are included in the district-wide financial statements.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$536,961.05 during the year ended June 30, 2025 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13.

Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68

Public Employees Retirement System (PERS)

At June 30, 2025, the District had a liability of \$2,170,879 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2024, the District's proportion was .0159763893 percent, which was a decrease of .0007666287 percent from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the District recognized pension expense of \$(19,604). At June 30, 2025, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$43,487	\$5,779
Changes of assumptions	2,697	24,700
Net difference between projected and actual earnings on pension plan investments		100,658
Changes in proportion and differences between the District's contributions and proportionate share of contributions	37,505	153,754
District contributions subsequent to the measurement date	<u>251,696</u>	<u> </u>
Total	<u>\$335,385</u>	<u>\$284,891</u>

Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

The \$251,696 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, 2025, the plan measurement date is June 30, 2024) will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:	
2025	\$(92,170)
2026	71,319
2027	(41,031)
2028	(23,687)
2029	616

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.08, 5.08, 5.04, 5.13, 5.16 and 5.21 years for 2024, 2023, 2022, 2021, 2020 and 2019 amounts, respectively.

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2024 and June 30, 2023 are as follows:

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Collective deferred outflows of resources	\$1,079,580,780	\$1,080,204,730
Collective deferred inflows of resources	1,611,322,898	1,780,216,457
Collective net pension liability	13,588,045,796	14,484,374,047
District's Proportion	.0159763893%	.0167430180%

Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

Actuarial Assumptions

The collective total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which rolled forward to June 30, 2024. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases	2.75-6.55% (based on years of service)
Investment Rate of Return	7.00 Percent

Mortality Rates

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 based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2024 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.63%
Non-U.S. Developed Market Equity	12.75%	8.85%
International Small Cap Equity	1.25%	8.85%
Emerging Market Equity	5.50%	10.66%
Private Equity	13.00%	12.40%
Real Estate	8.00%	10.95%
Real Assets	3.00%	8.20%
High Yield	4.50%	6.74%
Private Credit	8.00%	8.90%
Investment Grade Credit	7.00%	5.37%
Cash Equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Risk Mitigation Strategies	3.00%	7.10%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. 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.

Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

The following presents the collective net pension liability of the participating employers as of June 30, 2024 calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 -percentage point lower or 1- percentage-point higher than the current rate:

	June 30, 2024		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's proportionate share of the pension liability	\$2,884,565	\$2,170,879	\$1,563,537

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The financial report may be accessed at www.state.nj.us/treasury/pensions.

Teachers Pensions and Annuity Fund (TPAF)

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

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2024 was as follows:

Net Pension Liability:	
District's proportionate share	\$-0-
State's proportionate share associated with the District	<u>28,419,518</u>
	<u>\$28,419,518</u>

Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2024, the proportion of the TPAF net pension liability associated with the District was .0575001657%.

For the year ended June 30, 2025, the District recognized on-behalf pension expense and revenue of \$(103,670) from the actuarial report, employer pension expense and related revenue for contributions provided by the State in the District-Wide Financial Statements.

Actuarial Assumptions

The total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	2.75%-5.65% (based on years of service)
Investment Rate of Return	7.00%

Mortality Rates

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 Health 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 a 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, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2024 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.63%
Non-U.S. Developed Market Equity	12.75%	8.85%
International Small Cap Equity	1.25%	8.85%
Emerging Market Equity	5.50%	10.66%
Private Equity	13.00%	12.40%
Real Estate	8.00%	10.95%
Real Assets	3.00%	8.20%
High Yield	4.50%	6.74%
Private Credit	8.00%	8.90%
Investment Grade Credit	7.00%	5.37%
Cash Equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Risk Mitigation Strategies	3.00%	7.10%

**Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 7. PENSION PLANS, (continued)

**ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE
STATEMENTS PER - GASB NO. 68, (continued)**

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. 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 to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

Because the District's proportionate share of the net pension liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

NOTE 8. POST-RETIREMENT BENEFITS

General Information about the OPEB Plan

State Health Benefit State Retired Employees Plan

The State of New Jersey sponsors and administers the post-retirement health benefit program for school districts.

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

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

Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 8. POST-RETIREMENT BENEFITS, (continued)

State Health Benefit State Retired Employees Plan, (continued)

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

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

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the above Fund. The financial reports may be accessed via the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

Plan membership

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2023:

Active Plan Members	219,185
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>153,556</u>
Total	<u>372,741</u>

Measurement Focus and Basis of Accounting

The financial statements of the post-employment health benefit plans are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the postemployment health benefit plan. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of the plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 8. POST-RETIREMENT BENEFITS, (continued)

Total Nonemployer OPEB Liability

The State of New Jersey, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to the OPEB Plan for qualified retired TPAF, PERS, PFRS and ABP pension participants. The District’s proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is 0.00%. Accordingly, the District did not recognize any portion of the collective net OPEB liability on the statement of net position.

The State’s proportionate share of the net OPEB liability associated with the District as of June 30, 2024 is \$26,748,547. Since the OPEB liability associated with the District is 100% attributable to the State, the OPEB liability will be referred to as the total non-employer OPEB liability.

The total non-employer OPEB liability was measured as of June 30, 2024, and was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. For the June 30, 2024, measurement date, the State’s proportionate share of the non-employer OPEB liability associated with the District was .0448420189%, which was an increase/(decrease) of (.0014173285)% from its proportion measured as of June 30, 2023.

The actuarial assumptions and other inputs vary for each plan member depending on the pension plan the member is enrolled in. The actuarial valuation at July 1, 2023, which was rolled forward to June 30, 2024, used the following actuarial assumptions, applied to all periods in the measurement:

	<u>TPAF/ABP*</u>	<u>PERS*</u>	<u>PFRS*</u>
Salary Increases:	2.75 – 5.65%	2.75 – 6.55%	3.25 – 16.25%

* Based on service years

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

Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 8. POST-RETIREMENT BENEFITS, (continued)

Total Nonemployer OPEB Liability, (continued)

Experience Studies – The actuarial assumptions used in the July 1, 2023 valuation were based on the results of the TPAF, PERS, and PFRS experience studies prepared for July 1, 2018 to June 30, 2021.

100% of active members are considered to participate in the plan upon retirement.

Health Care Trend Assumptions – For pre-Medicare medical benefits, the trend rate is initially 7.50% and decreases to a 4.50% long-term rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 19.36% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For HMO the trend is increasing to 22.88% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For prescription drug benefits, the initial trend rate is 12.25% and decreases to a 4.50% long-term trend rate after nine years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate – The discount rate used to measure the total OPEB liability was 3.93%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Changes in the Total OPEB Liability

The change in the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2025 (measurement date June 30, 2024) is as follows:

Balance, June 30, 2024	\$24,222,166
Changes for the Year:	
Service Cost	1,066,248
Interest Cost	880,499
Difference between Expected and Actual Experience	(772,087)
Changes in Assumptions	2,001,147
Member Contributions	23,025
Gross Benefit Payments	<u>(672,451)</u>
Net Changes	<u>2,526,381</u>
Balance, June 30, 2025	<u>\$26,748,547</u>

Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 8. POST-RETIREMENT BENEFITS, (continued)

Changes in the Total OPEB Liability, (continued)

Differences between expected and actual experience reflect an increase in liability for the measurement period from June 30, 2023, to June 30, 2024, due to the combined effect of updates in census information and premium and claims experience.

Changes in assumptions reflect an increase in the liability for the measurement period from June 30, 2023, to June 30, 2024, due to the combined effect of the discount rate change and changes in the trend update.

Sensitivity of Total Nonemployer OPEB Liability to Changes in the Discount Rate

The State’s proportionate share of the total non-employer OPEB liability as of June 30, 2024, associated with the District, using a discounted rate of 3.93%, as well as using a discount rate that is 1% lower or 1% higher than the current rate used is as follows:

	Decrease <u>2.93%</u>	Discount Rate <u>3.93%</u>	Increase <u>4.93%</u>
State of New Jersey’s Proportionate Share of the Total Non-Employer OPEB Liability Associated with the Employer	\$31,328,277	\$26,748,547	\$23,065,493

Sensitivity of the Total Nonemployer OPEB Liability to Changes in the Healthcare Cost Trend Rates

The State’s proportionate share of the total non-employer OPEB liability as of June 30, 2024, associated with the District, using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate used is as follows:

	1% <u>Decrease</u>	Healthcare Cost <u>Trend Rate</u>	1% <u>Increase</u>
State of New Jersey’s Proportionate Share of the Total Non-Employer OPEB Liability Associated with the Employer	\$22,281,734	\$26,748,547	\$32,566,865

Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 8. POST-RETIREMENT BENEFITS, (continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Total Non-Employer OPEB Liability

OPEB Expense – For the fiscal year ended June 30, 2025, the District recognized \$1,013,057 in OPEB revenue and expense in the government-wide financial statements for the State’s proportionate share of the OPEB Plan’s OEPB expense associated with the District. This revenue and expense was based on the OPEB Plan’s June 30, 2024 measurement date.

Deferred Outflows and Inflows of Resources – In accordance with GASB No. 75, the District’s proportionate share of the OPEB liability is \$ -0-. As such, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources by the District, however, at June 30, 2025, the State’s proportionate share of the total non-employer OPEB liability’s deferred outflows of resources and deferred inflows of resources associated with the District from the following sources are:

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Difference between Expected and Actual Experience	\$2,860,442	\$4,995,269
Changes of Assumptions	<u>4,486,434</u>	<u>5,229,749</u>
	<u>\$7,346,876</u>	<u>\$10,225,018</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the State’s proportionate share of the total non-employer OPEB liability associated with the District will be recognized in OPEB expense as follows:

Year ended June 30:	
2025	\$(948,802)
2026	(795,576)
2027	(377,873)
2028	99,312
2029	(689,547)
Thereafter	(165,655)

**Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 9. 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 CPI Qualified Plan Consultants, Inc., 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 participants are as follows:

Equitable
Lincoln Investment Planning
Oppenheimer
VALIC

NOTE 10. RISK MANAGEMENT

The District is exposed to various risks of loss related to general liability, automobile coverage; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Board has obtained insurance coverage to guard against these events to minimize the exposure to the District should they occur.

Property and Liability Insurance - The District is currently a member of the Suburban Essex Joint Insurance Fund (the "Fund"). The Fund provides it's members with General Liability, Auto Liability, Property, Employee Benefits Liability, Worker's Compensation and Employer Liability Insurance. The Fund is a risk-sharing public entity risk pool that is both an insured and self-administered group of School District's established for the purpose of providing low-cost insurance coverage for their respective members in order to keep insurance costs at a minimum. Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Funds are elected.

As a member of the Fund, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the Funds were to be exhausted, members would become responsible for their respective shares of the Fund's liabilities. However, this Fund has fully reinsured the exposures above all limits subscribed to by its members. The Funds can declare and distribute dividends to members upon arrival of the State of New Jersey Department of Insurance. These distributions are divided among the members in the same ratio as their individual assessment related to the total assessment of the membership body.

Financial statements for the Funds are available at the office of the Fund's administrator, 9 Campus Drive, Suite 216, Parsippany, NJ 07054.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverages.

Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 10. RISK MANAGEMENT, (continued)

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>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2024-2025	\$48,654.43	\$98,214.80	\$314,364.78
2023-2024	27,134.33	12,946.96	363,925.15
2022-2023	21,833.40	15,247.61	349,737.78

NOTE 11. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Manchester Regional High School District by inclusion of \$1.00 on September 21, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes 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 to *N.J.S.A.* 19:60-2. Pursuant to *N.J.A.C.* 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 11. CAPITAL RESERVE ACCOUNT, (continued)

The activity of the capital reserve for the July 1, 2024 to June 30, 2025 fiscal year is as follows:

Beginning balance, July 1, 2024	\$3,617,518.68
Deposits - Board Resolution - June 13, 2024	<u>3,110,553.78</u>
	6,728,072.46
Budgeted Withdrawal	<u>1,000,000.00</u>
Ending balance, June 30, 2025	<u>\$5,728,072.46</u>

The balance in the capital reserve account at June 30, 2025 does not exceed the balance of local support costs of uncomplete capital projects in its LFRP.

NOTE 12. EMERGENCY RESERVE ACCOUNT

The emergency reserve is used to accumulate funds in accordance with N.J.S.A. 18A:7F-41c(1) to finance unanticipated general fund expenditures required for a thorough and efficient education. Unanticipated means reasonably unforeseeable and shall not include additional costs caused by poor planning. The maximum balance permitted at any time in this reserve is the greater of \$250,000.00 or 1% of the general fund budget not to exceed one million dollars. Deposits may be made to the emergency reserve account by board resolution at year end of any unanticipated revenue or unexpended line item appropriation or both. Withdrawals from the reserve require the approval of the commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of four percent.

The activity of the emergency reserve for the July 1, 2024 to June 30, 2025 fiscal year is as follows:

Beginning balance, July 1, 2024	<u>\$170,270.35</u>
Ending balance, June 30, 2025	<u>\$170,270.35</u>

Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 13. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by Board of Education resolution adopted June 29, 2010. The account is maintained in the general fund. The maintenance reserve account is used to accumulated funds for the required maintenance of a facility in accordance with the EFCRA (N.J.S.A. 18A:7G-9). EFCFA requires that upon district completion of a school facilities project, the district must submit a plan for the maintenance of that facility. All such plans must include a provision for a maintenance reserve fund. The activity of the maintenance reserve for the July 1, 2024 to June 30, 2025 fiscal year is as follows:

Beginning balance, July 1, 2024	\$279,950.00
Deposits - Board Resolution - June 11, 2025	<u>200,000.00</u>
	479,950.00
Budgeted Withdrawal	<u>30,050.00</u>
Ending balance, June 30, 2025	<u>\$449,900.00</u>

NOTE 14. FUND BALANCE APPROPRIATED

General Fund [Exhibit B-1] - Of the \$8,064,906.48 General Fund fund balance at June 30, 2025, \$527,601.61 is restricted for encumbrances; \$1,400,000.00 is restricted as excess surplus in accordance with N.J.S.A. 18A:7F-7, \$700,000.00 of this amount has been appropriated and included as anticipated revenue for the year ending June 30, 2026; \$5,728,072.46 has been restricted in the Capital Reserve Account; \$170,270.35 has been restricted in the Emergency Reserve Account; \$449,900.00 has been restricted in the Maintenance Reserve Account; \$-0- has been restricted in the Tuition Reserve Account; \$314,364.78 has been restricted in the Unemployment Fund; \$369,315.00 is assigned by the BOE for subsequent year's expenditures and \$(894,617.72) is unrestricted and unassigned.

NOTE 15. CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7 as amended, the designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund 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 surplus at June 30, 2025 is \$1,400,000.00. Of this amount, \$700,000.00 is the result of the current year's operations and \$700,000.00 is the result of prior year operations.

Manchester Regional High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 16. DEFICIT IN UNASSIGNED FUND BALANCES

The District has a deficit fund balance of \$894,617.72 in the General Fund as of June 30, 2025 as reported in the fund statements (modified accrual basis). *N.J.S.A.* 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payment(s) in the subsequent fiscal year, the school district cannot recognize the June state aid payment(s) (on the GAAP financial statements) until the year the State records the payable. Due to the timing difference of recording the June state aid payment(s), the General Fund balance deficit does not alone indicate that the District is facing financial difficulties.

Pursuant to *N.J.S.A.* 18A:22-44.2 any negative unreserved, undesignated general fund balance that is reported as a direct result from a delay in the June payment(s) of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The District deficit in the GAAP funds statements of \$894,617.72 is less than the last state aid payment of \$1,696,411.00.

NOTE 17. CONTINGENT LIABILITIES

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

Litigation - The District is a party defendant in some lawsuits, none of a kind unusual for a school district of its size and scope of operation. In the opinion of the Board's Attorney the potential claims against the District not covered by insurance policies would not materially affect the financial condition of the District.

NOTE 18. SUBSEQUENT EVENTS

The District has evaluated subsequent events through January 21, 2026, the date which the financial statements were available to be issued and no additional items were noted for disclosure.

**REQUIRED SUPPLEMENTARY
INFORMATION - PART II**

BUDGETARY COMPARISON SCHEDULES

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2025

Exhibit C-1

Page 1 of 5

	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	11,589,719.00		11,589,719.00	11,589,719.00	
Transportation Fees	200,000.00		200,000.00	252,547.44	52,547.44
Interest on Emergency Reserve	100.00		100.00		(100.00)
Interest on Maintenance Reserve	50.00		50.00		(50.00)
Interest on Capital Reserve	1,000.00		1,000.00		(1,000.00)
Miscellaneous	151,949.00		151,949.00	335,044.09	183,095.09
Total - Local Sources	11,942,818.00		11,942,818.00	12,177,310.53	234,492.53
State Sources:					
School Choice Aid	767,728.00		767,728.00	767,728.00	
Categorical Special Education Aid	973,531.00		973,531.00	973,531.00	
Equalization Aid	14,801,362.00		14,801,362.00	14,801,362.00	
Categorical Security Aid	451,877.00		451,877.00	451,877.00	
Categorical Transportation Aid	281,548.00		281,548.00	281,548.00	
Extraordinary Aid	200,000.00		200,000.00	403,221.00	203,221.00
Other State Aid - Reimburse Nonpublic School Transportation				42,964.00	42,964.00
On-behalf TPAF NCGI Premium (non-budgeted)				26,230.00	26,230.00
On-behalf TPAF Post Retirement Medical (non-budgeted)				626,405.00	626,405.00
On-behalf TPAF - LTDI				1,058.00	1,058.00
On-behalf TPAF Pension and Annuity (non-budgeted)				2,117,520.00	2,117,520.00
TPAF Social Security (Reimbursed - Non-Budgeted)				536,961.05	536,961.05
Total - State Sources	17,476,046.00		17,476,046.00	21,030,405.05	3,554,359.05
Federal Sources:					
Medicaid Reimbursement	31,847.00		31,847.00	9,286.95	(22,560.05)
Total - Federal Sources	31,847.00		31,847.00	9,286.95	(22,560.05)
TOTAL REVENUES	29,450,711.00		29,450,711.00	33,217,002.53	3,766,291.53
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Grades 9-12 - Salaries of Teachers	5,032,459.00	158,621.97	5,191,080.97	5,173,999.07	17,081.90
Unused Sick Payment	30,000.00	(30,000.00)			
Regular Programs - Home Instruction:					
Salaries of Teachers	20,000.00		20,000.00		20,000.00
Purchased Professional-Educational Services	22,000.00		22,000.00	275.00	21,725.00
Regular Programs - Undistributed Instruction					
Purchased Professional-Educational Services	253,162.37	(143,344.97)	109,817.40	84,695.06	25,122.34
Purchased Technical Services	142,747.00	(2,000.00)	140,747.00	140,708.15	38.85
Other Purchased Services (400-500 series)	5,580.98	5,997.43	11,578.41	11,497.43	80.98
General Supplies	421,328.88	10,060.30	431,389.18	354,676.83	76,712.35
Textbooks	23,490.00	(1,927.76)	21,562.24	21,557.25	4.99
Other Objects	14,900.00		14,900.00	3,400.00	11,500.00
TOTAL REGULAR PROGRAMS - INSTRUCTION	5,965,668.23	(2,593.03)	5,963,075.20	5,790,808.79	172,266.41
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
General Supplies	3,000.00		3,000.00		3,000.00
Textbooks	2,000.00		2,000.00		2,000.00
Total Learning and/or Language Disabilities	5,000.00		5,000.00		5,000.00
Emotional Regulation Impairment:					
Salaries of Teachers	256,378.00	(14,657.51)	241,720.49	109,925.55	131,794.94
Other Salaries for Instruction	105,100.00	(84,990.90)	20,109.10		20,109.10
Purchased Professional-Educational Services	99,000.00	20,643.93	119,643.93	119,643.93	
General Supplies	140,733.00	(124,930.93)	15,802.07		15,802.07
Total Emotional Regulation Impairment	601,211.00	(203,935.41)	397,275.59	229,569.48	167,706.11
Multiple Disabilities:					
Other Salaries for Instruction	49,915.00	4,900.87	54,815.87	54,815.87	
Purchased Professional-Educational Services	909,724.00	(7,001.36)	902,722.64	902,722.64	
Total Multiple Disabilities	959,639.00	(2,100.49)	957,538.51	957,538.51	
Resource Room/Resource Center:					
Salaries of Teachers	595,387.00	(8,590.90)	586,796.10	584,079.50	2,716.60
Other Salaries for Instruction	50,136.00	12,090.90	62,226.90	62,226.90	
General Supplies	3,500.00	(3,500.00)			
Total Resource Room/Resource Center	649,023.00	(0.00)	649,023.00	646,306.40	2,716.60
Home Instruction:					

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2025

Exhibit C-1

Page 2 of 5

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
Salaries of Teachers	38,993.00	44,898.00	83,891.00	83,889.73	1.27
Total Home Instruction	38,993.00	44,898.00	83,891.00	83,889.73	1.27
TOTAL SPECIAL EDUCATION - INSTRUCTION	2,253,866.00	(161,137.90)	2,092,728.10	1,917,304.12	175,423.98
Bilingual Education - Instruction					
General Supplies	1,750.00		1,750.00	1,729.95	20.05
Textbooks	848.59		848.59	809.51	39.08
Other Objects	1,000.00		1,000.00	1,000.00	
Total Bilingual Education - Instruction	3,598.59		3,598.59	3,539.46	59.13
School-Sponsored Cocurricular Activities - Instruction					
Salaries	155,689.00		155,689.00	134,830.47	20,858.53
Purchased Services (300-500 series)	1,100.00		1,100.00	720.99	379.01
Supplies and Materials	28,335.00	(510.00)	27,825.00	7,817.77	20,007.23
Total School-Sponsored Cocurricular Activities - Instruction	185,124.00	(510.00)	184,614.00	143,369.23	41,244.77
School-Sponsored Athletics - Instruction					
Salaries	450,949.00		450,949.00	447,856.66	3,092.34
Purchased Services (300-500 series)	65,771.62	2,500.00	68,271.62	42,425.57	25,846.05
Supplies and Materials	304,341.28	(95,000.00)	209,341.28	64,964.86	144,376.42
Other Objects	34,000.00		34,000.00	27,483.00	6,517.00
Transfers to Cover Deficit	67,115.00	(2,500.00)	64,615.00	60,000.00	4,615.00
Total School-Sponsored Athletics - Instruction	922,176.90	(95,000.00)	827,176.90	642,730.09	184,446.81
TOTAL INSTRUCTION	9,330,433.72	(259,240.93)	9,071,192.79	8,497,751.69	573,441.10
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State - Special	289,227.40	71,646.19	360,873.59	329,794.18	31,079.41
Tuition to County Voc. School District - Regular	4,083,795.20	(77,525.11)	4,006,270.09	3,998,608.20	7,661.89
Tuition to County Voc. School District - Special	20,125.00	64,020.00	84,145.00	18,442.10	65,702.90
Tuition to Private Schools for the Disabled - Within State	1,699,564.00	(58,141.08)	1,641,422.92	1,444,835.36	196,587.56
Tuition - State Facilities	123,888.00		123,888.00	123,888.00	
Total Undistributed Expenditures - Instruction:	6,216,599.60	(0.00)	6,216,599.60	5,915,567.84	301,031.76
Undistributed Expend. - Attend. & Social Work					
Salaries	87,232.00		87,232.00	50,544.31	36,687.69
Other Purchased Services (400-500 series)	2,000.00		2,000.00	2,000.00	
Supplies and Materials	2,000.00		2,000.00	560.00	1,440.00
Total Undistributed Expend. - Attend. & Social Work	91,232.00		91,232.00	53,104.31	38,127.69
Undist. Expend. - Health Services					
Salaries	93,526.00	921.51	94,447.51	94,447.51	
Purchased Professional and Technical Services	55,000.00	(921.51)	54,078.49	26,880.00	27,198.49
Supplies and Materials	16,500.00		16,500.00	2,677.50	13,822.50
Total Undistributed Expenditures - Health Services	165,026.00	(0.00)	165,026.00	124,005.01	41,020.99
Undist. Expend. - Speech, OT, PT & Related Services					
Salaries	125,662.00		125,662.00	125,302.82	359.18
Purchased Professional - Educational Services	187,790.00		187,790.00	105,365.09	82,424.91
Total Undist. Expend. - Speech, OT, PT & Related Services	313,452.00		313,452.00	230,667.91	82,784.09
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	632,113.00	18,522.25	650,635.25	650,635.25	
Salaries of Secretarial and Clerical Assistants	63,787.00	(18,522.25)	45,264.75	40,965.49	4,299.26
Other Salaries	2,500.00		2,500.00		2,500.00
Purchased Professional - Educational Services	4,995.00	(502.44)	4,492.56	1,990.00	2,502.56
Other Purchased Prof. and Tech. Services	29,500.00		29,500.00	15,302.88	14,197.12
Other Purchased Services (400-500 series)	22,000.00	502.44	22,502.44	15,251.00	7,251.44
Supplies and Materials	5,260.00		5,260.00	5,184.00	76.00
Other Objects	825.00		825.00		825.00
Total Undist. Expend. - Guidance	760,980.00	(0.00)	760,980.00	729,328.62	31,651.38
Undist. Expend. - Child Study Teams					
Salaries of Other Professional Staff	285,735.00		285,735.00	224,915.70	60,819.30
Salaries of Secretarial and Clerical Assistants	61,692.00		61,692.00	58,499.02	3,192.98
Purchased Professional - Educational Services	210,367.80	(10,662.00)	199,705.80	84,117.42	115,588.38
Other Purchased Prof. and Tech. Services	56,000.00	562.00	56,562.00	11,719.70	44,842.30
Other Purchased Services (400-500 series)	5,704.16		5,704.16	1,704.16	4,000.00
Supplies and Materials	2,500.00		2,500.00	393.98	2,106.02
Other Objects	1,000.00		1,000.00		1,000.00
Total Undist. Expend. - Child Study Teams	622,998.96	(10,100.00)	612,898.96	381,349.98	231,548.98
Undist. Expend. - Improvement of Instructional Services					
Purchased Prof- Educational Services	6,700.00		6,700.00		6,700.00
Total Undist. Expend. - Improvement of Inst. Services	6,700.00		6,700.00		6,700.00
Undist. Expend. - Educational Media Serv./Sch. Library					
Salaries	92,591.00		92,591.00	80,035.50	12,555.50
Purchased Professional and Technical Services	1,900.00	(1,900.00)			
Other Purchased Services (400-500 series)	7,812.00	(676.03)	7,135.97	7,061.23	74.74
Supplies and Materials	6,100.00	2,576.03	8,676.03	8,144.57	531.46
Other Objects	400.00		400.00	400.00	

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2025

Exhibit C-1

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	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
Total Undist. Expend. - Educational Media Serv./Sch. Library	108,803.00	0.00	108,803.00	95,641.30	13,161.70
Undist. Expend. - Instructional Staff Training Serv.					
Purchased Professional - Educational Services	27,000.00	9,190.00	36,190.00	27,820.00	8,370.00
Other Purchased Services (400-500 series)	3,000.00		3,000.00	1,108.74	1,891.26
Total Undist. Expend. - Instructional Staff Training Serv.	30,000.00	9,190.00	39,190.00	28,928.74	10,261.26
Undist. Expend. - Supp. Serv. - General Administration					
Salaries	262,119.07		262,119.07	221,069.62	41,049.45
Legal Services	80,000.00		80,000.00	42,798.00	37,202.00
Audit Fees	29,100.00		29,100.00	28,800.00	300.00
Other Purchased Professional Services	52,000.00	(4,045.17)	47,954.83	18,513.56	29,441.27
Communications/Telephone	75,050.00		75,050.00	61,976.95	13,073.05
BOE Other Purchased Services	10,000.00	4,045.17	14,045.17	7,901.05	6,144.12
Other Purchased Services (400-500 series)	18,000.00	(615.45)	17,384.55	6,356.23	11,028.32
General Supplies	10,000.00	(1,255.29)	8,744.71	696.42	8,048.29
Miscellaneous Expenditures	10,813.00	980.74	11,793.74	11,793.74	
BOE Membership Dues and Fees	10,106.00		10,106.00	10,105.08	0.92
Total Undist. Expend. - Supp. Serv. - General Administration	557,188.07	(890.00)	556,298.07	410,010.65	146,287.42
Undist. Expend. - Support Serv. - School Administration					
Salaries of Principals/Assistant Principals	372,757.00	(27,886.01)	344,870.99	239,049.28	105,821.71
Salaries of Secretarial and Clerical Assistants	172,747.00	27,886.01	200,633.01	200,632.23	0.78
Unused Sick and Vacation		12,765.40	12,765.40	12,765.40	
Purchased Professional Services	5,000.00		5,000.00	2,500.00	2,500.00
Other Purchased Services (400-500 series)	20,021.00		20,021.00	17,645.18	2,375.82
Supplies and Materials	14,175.00	(867.89)	13,307.11	7,343.46	5,963.65
Other Objects	7,494.00	1,662.90	9,156.90	8,857.00	299.90
Total Undist. Expend. - Support Serv. - School Administration	592,194.00	13,560.41	605,754.41	488,792.55	116,961.86
Undist. Expend. - Central Services					
Salaries	272,265.00	18,525.00	290,790.00	227,070.82	63,719.18
Purchased Professional Services	36,690.00	(6,000.00)	30,690.00	20,799.30	9,890.70
Misc. Purchased Services (400-500 series)	4,300.00		4,300.00	3,959.64	340.36
Supplies and Materials	10,027.00	(4,000.61)	6,026.39	3,129.87	2,896.52
Interest on Lease Purchase Agreements	242,215.00	39,000.61	281,215.61	220,198.19	61,017.42
Miscellaneous Expenditures	1,750.00		1,750.00	1,500.00	250.00
Total Undist. Expend. - Central Services	567,247.00	47,525.00	614,772.00	476,657.82	138,114.18
Undist. Expend. - Admin. Info. Tech.					
Salaries	162,182.00	21,782.41	183,964.41	183,962.95	1.46
Purchased Technical Services	66,450.00	(1,035.74)	65,414.26	57,537.86	7,876.40
Other Purchased Services (400-500 series)	1,800.00		1,800.00	1,457.16	342.84
Supplies and Materials	52,000.00	(764.26)	51,235.74	49,903.60	1,332.14
Other Objects	1,200.00		1,200.00	1,200.00	
Total Undist. Expend. - Admin. Info. Tech.	283,632.00	19,982.41	303,614.41	294,061.57	9,552.84
Undist. Expend. - Required Maint. for School Facilities					
Salaries	35,517.00	1,017.09	36,534.09	35,075.76	1,458.33
Cleaning, Repair and Maintenance Services	296,712.03	35,747.65	332,459.68	198,653.51	133,806.17
General Supplies	54,000.00	2,566.92	56,566.92	53,329.85	3,237.07
Other Objects	1,500.00		1,500.00	450.00	1,050.00
Undist. Expend. - Required Maint. for School Facilities	387,729.03	39,331.66	427,060.69	287,509.12	139,551.57
Undist. Expend. - Custodial Services					
Salaries	409,102.00	49,696.09	458,798.09	458,644.46	153.63
Purchased Professional and Technical Services	75,000.00	(73,868.00)	1,132.00		1,132.00
Cleaning, Repair and Maintenance Services	90,061.00	(13,079.67)	76,981.33	72,439.71	4,541.62
Other Purchased Property Services	81,200.00	50,748.84	131,948.84	128,491.46	3,457.38
Insurance	186,200.00	106.25	186,306.25	186,306.25	
General Supplies	60,000.00	(6,611.90)	53,388.10	51,591.61	1,796.49
Energy (Natural Gas)	110,000.00	(31,406.92)	78,593.08	78,593.08	
Energy (Energy and Electricity)	120,000.00	81,019.55	201,019.55	198,635.41	2,384.14
Other Objects	3,700.00		3,700.00	1,731.87	1,968.13
Total Undist. Expend. - Custodial Services	1,135,263.00	56,604.24	1,191,867.24	1,176,433.85	15,433.39
Undist. Expend. - Care & Upkeep of Grounds					
Cleaning, Repair and Maintenance Services	6,000.00		6,000.00	4,179.29	1,820.71
General Supplies	1,000.00		1,000.00	750.00	250.00
Total Undist. Expend. - Care & Upkeep of Grounds	7,000.00		7,000.00	4,929.29	2,070.71
Undist. Expend. - Security					
Salaries	118,035.00	(42,078.70)	75,956.30	75,956.30	
Purchased Professional and Technical Services	283,400.00	37,550.00	320,950.00	320,622.94	327.06
General Supplies	22,508.00	(452.18)	22,055.82	21,992.11	63.71
Total Undist. Expend. - Security	423,943.00	(4,980.88)	418,962.12	418,571.35	390.77
Total Undist. Expend. - Oper. & Maint. Of Plant	1,953,935.03	90,955.02	2,044,890.05	1,887,443.61	157,446.44
Undist. Expend. - Student Transportation Services					

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2025

Exhibit C-1

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	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
Management Fee - ESC & CTSA Trans. Program	40,280.00	21,281.12	61,561.12	61,227.12	334.00
Contracted Services - Aid in Lieu Payments	295,000.00	83,000.00	378,000.00	358,253.44	19,746.56
Contracted Services (Between Home and School)-Vendors	574,147.00	(65,770.61)	508,376.39	258,613.83	249,762.56
Contracted Services (Other than Bet Home and School)-Vendors	158,800.00	5,510.00	164,310.00	164,053.17	256.83
Contracted Services (Regular Students)-ESCs & CTSA's	109,000.00	(15,000.00)	94,000.00	28,652.00	65,348.00
Contracted Services (Special Ed. Students)-ESCs & CTSA's	1,018,945.00	(93,281.12)	925,663.88	665,153.30	260,510.58
Total Undist. Expend. - Student Transportation Services	2,196,172.00	(64,260.61)	2,131,911.39	1,535,952.86	595,958.53
UNALLOCATED BENEFITS					
Group Insurance					
Social Security Contributions	153,470.00	170,299.57	323,769.57	244,074.92	79,694.65
Other Retirement Contributions - PERS	247,431.00	(12,600.00)	234,831.00	217,396.00	17,435.00
Other Retirement Contributions - Regular		14,580.30	14,580.30	7,908.60	6,671.70
Unemployment Compensation		4,558.71	4,558.71	4,558.71	
Workmen's Compensation	25,000.00		25,000.00		25,000.00
Health Benefits	2,850,459.01	(270,282.87)	2,580,176.14	2,326,084.33	254,091.81
Tuition Reimbursement	31,200.00		31,200.00	10,630.10	20,569.90
Other Employee Benefits	30,000.00	(12,765.40)	17,234.60	298.50	16,936.10
TOTAL UNALLOCATED BENEFITS	3,337,560.01	(106,209.69)	3,231,350.32	2,810,951.16	420,399.16
On-behalf Teachers Pension and Annuity Fund (non-budgeted)				2,117,520.00	(2,117,520.00)
On-behalf TPAF NCGI Premium (non-budgeted)				26,230.00	(26,230.00)
On-behalf TPAF Post Retirement Medical (non-budgeted)				626,405.00	(626,405.00)
On-behalf TPAF - LTDI				1,058.00	(1,058.00)
Reimbursed TPAF Social Security Contributions (non-budgeted)				536,961.05	(536,961.05)
TOTAL ON-BEHALF CONTRIBUTIONS				3,308,174.05	(3,308,174.05)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	3,337,560.01	(106,209.69)	3,231,350.32	6,119,125.21	(2,887,774.89)
TOTAL UNDISTRIBUTED EXPENDITURES	17,803,719.67	(247.46)	17,803,472.21	18,770,637.98	(967,165.77)
TOTAL GENERAL CURRENT EXPENSE	27,134,153.39	(259,488.39)	26,874,665.00	27,268,389.67	(393,724.67)
CAPITAL OUTLAY					
Equipment					
Regular Programs - Instruction:					
Grades 9-12		168,780.90	168,780.90	168,780.90	
Support Services:					
Undistributed Expenditures - Non-Instructional	17,000.00		17,000.00	4,321.79	12,678.21
Undistributed Expenditures - Administrative Technology	270,250.00	(12,504.41)	257,745.59	257,191.01	554.58
Undistributed Expenditures - Custodial	457,940.00		457,940.00	199,337.29	258,602.71
Total Equipment	745,190.00	156,276.49	901,466.49	629,630.99	271,835.50
Facilities Acquisition and Construction Services					
Other Purchased Professional & Technical Services		3,850.00	3,850.00		3,850.00
Construction Services	1,007,768.00	1,108,568.19	2,116,336.19	2,061,632.12	54,704.07
Lease Purchase Agreements - Principal	2,888,324.78	(1,004,647.58)	1,883,677.20	1,123,170.18	760,507.02
Assessment for Debt Service on SDA Funding	5,765.00		5,765.00	5,765.00	
Total Facilities Acquisition and Construction Services	3,901,857.78	107,770.61	4,009,628.39	3,190,567.30	819,061.09
TOTAL CAPITAL OUTLAY	4,647,047.78	264,047.10	4,911,094.88	3,820,198.29	1,090,896.59
Transfer of Funds to Charter Schools	248,834.00		248,834.00		248,834.00
TOTAL EXPENDITURES	32,030,035.17	4,558.71	32,034,593.88	31,088,587.96	946,005.92
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,579,324.17)	(4,558.71)	(2,583,882.88)	2,128,414.57	4,712,297.45
Other Financing Sources/(Uses):					
Operating Transfer Out:					
Transfer to Enterprise Fund	(2,416.00)		(2,416.00)		2,416.00
Total Other Financing Sources/(Uses):	(2,416.00)		(2,416.00)		2,416.00
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(2,581,740.17)	(4,558.71)	(2,586,298.88)	2,128,414.57	4,714,713.45
Fund Balance, July 1	7,632,902.91		7,632,902.91	7,632,902.91	

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2025

Exhibit C-1

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	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Fund Balance, June 30	<u>5,051,162.74</u>	<u>(4,558.71)</u>	<u>5,046,604.03</u>	<u>9,761,317.48</u>	<u>4,714,713.45</u>
Recapitulation of excess (deficiency) of revenues under expenditures					
Adjustment for Prior Year Encumbrances	(852,840.17)		(852,840.17)	(852,840.17)	
Increase in Capital Reserve:					
Principal				3,110,553.78	3,110,553.78
Interest	1,000.00		1,000.00		(1,000.00)
Increase in Emergency Reserve					
Interest	100.00		100.00		(100.00)
Increase in Maintenance Reserve					
Principal				200,000.00	200,000.00
Interest	50.00		50.00		(50.00)
Budgeted Withdrawal from Maintenance Reserve	(30,050.00)		(30,050.00)	(30,050.00)	
Budgeted Withdrawal from Capital Reserve	(1,000,000.00)		(1,000,000.00)	(1,000,000.00)	
Budgeted Fund Balance - Unemployment Fund		(4,558.71)	(4,558.71)	(4,558.71)	
Budgeted Fund Balance	<u>(700,000.00)</u>	<u>(4,558.71)</u>	<u>(700,000.00)</u>	<u>705,309.67</u>	<u>1,405,309.67</u>
	<u>(2,581,740.17)</u>	<u>(4,558.71)</u>	<u>(2,586,298.88)</u>	<u>2,128,414.57</u>	<u>4,714,713.45</u>

Recapitulation:

Restricted Fund Balance:

Capital Reserve	5,728,072.46
Maintenance Reserve	449,900.00
Emergency Reserve	170,270.35
Unemployment Compensation	314,364.78
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures	700,000.00
Reserved Excess Surplus - Current Year	700,000.00

Assigned Fund Balance:

Year-End Encumbrances	527,601.61
Designated for Subsequent Year's Expenditures	369,315.00

Unassigned Fund Balance

801,793.28
<u>9,761,317.48</u>

Reconciliation to Governmental Funds Statements (GAAP):

Last State Aid Payment not recognized on GAAP basis	<u>(1,696,411.00)</u>
Fund Balance per Governmental Funds (GAAP)	<u>8,064,906.48</u>

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Budgetary Comparison Schedule
Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources		8,232.11	8,232.11	284,581.13	276,349.02
State Sources	394,211.00	270,627.00	664,838.00	622,896.00	(41,942.00)
Federal Sources	993,107.00	7,752.00	1,000,859.00	782,510.00	(218,349.00)
Total Revenues	<u>1,387,318.00</u>	<u>286,611.11</u>	<u>1,673,929.11</u>	<u>1,689,987.13</u>	<u>16,058.02</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers	146,405.00	67,291.00	213,696.00	211,030.00	2,666.00
Purchased Professional - Educational Services	281,211.00	(28,189.00)	253,022.00	212,069.00	40,953.00
Purchased Professional and Technical Services	35,496.00	(35,496.00)			
Other Purchased Services (400-500 series)	303,868.00	(100,776.00)	203,092.00	202,592.00	500.00
General Supplies	206,362.00	42,102.11	248,464.11	107,650.47	140,813.64
Textbooks	24,000.00	(322.00)	23,678.00	118,629.00	(94,951.00)
Other Objects		3,000.00	3,000.00		3,000.00
Total Instruction	<u>997,342.00</u>	<u>(52,389.89)</u>	<u>944,952.11</u>	<u>851,970.47</u>	<u>92,981.64</u>
Support Services:					
Other Salaries	20,000.00	1,055.00	21,055.00	11,530.00	9,525.00
Personal Services - Employee Benefits		99,492.00	99,492.00	75,357.00	24,135.00
Purchased Professional & Technical Services	47,522.00	(20,931.00)	26,591.00	22,031.00	4,560.00
Purchased Professional - Educational Services	322,454.00	139,698.00	462,152.00	358,546.00	103,606.00
Other Purchased Services (400-500 series)		49,809.00	49,809.00	38,663.00	11,146.00
Supplies & Materials		69,878.00	69,878.00	50,520.00	19,358.00
Student Activities				151,599.65	(151,599.65) note 1
Total Support Services	<u>389,976.00</u>	<u>339,001.00</u>	<u>728,977.00</u>	<u>708,246.65</u>	<u>20,730.35</u>
Total Expenditures	<u>1,387,318.00</u>	<u>286,611.11</u>	<u>1,673,929.11</u>	<u>1,560,217.12</u>	<u>113,711.99</u>
Excess (Deficiency) of Revenues Over (Under)					
Expenditures and Other Financing Sources (Uses)				129,770.01	129,770.01
Fund Balance, July 1				274,551.10	
Fund Balance, June 30				<u>404,321.11</u>	<u>129,770.01</u>
Recapitulation:					
Restricted:					
Student Activities				404,321.11	
Total Fund Balance				<u>404,321.11</u>	

note 1 - Not Required to budget for these funds.

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
Note to Required Supplementary Information - Part II
For the Year Ended June 30, 2025

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

		General Fund	Special Revenue Fund
		<u> </u>	<u> </u>
Sources/inflows of resources			
Actual amounts (budgetary basis) "revenue"			
from the budgetary comparison schedule	[C-1]&[C-2]	33,217,002.53	1,689,987.13
Difference - budget to GAAP:			
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.			
Add Prior Year Encumbrances			
Less Current Year Encumbrances			
Pension expense recognized for GAAP but not for budgetary purposes.			
The last State aid payment is recognized as revenue for budgetary purposes in the General Fund, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33).			
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.		(1,696,411.00)	
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.		1,399,325.00	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	<u><u>32,919,916.53</u></u>	<u><u>1,689,987.13</u></u>
Uses/outflows of resources			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]&[C-2]	31,088,587.96	1,560,217.12
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.		N/A	
Add Prior Year Encumbrances			
Less Current Year Encumbrances			
Pension expense recognized for GAAP but not for budgetary purposes.		N/A	
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	<u><u>31,088,587.96</u></u>	<u><u>1,560,217.12</u></u>

**REQUIRED SUPPLEMENTARY
INFORMATION - PART III**

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Schedules of Required Supplementary Information
Schedule of District's Proportionate Share of Net Pension Liability - PERS
Last 10 Fiscal Years*

<u>Fiscal Year Ending June30,</u>	<u>District's Proportion Share of the Net Pension Liability (Asset)</u>	<u>District's Proportion Share of the Net Pension Liability (Asset)</u>	<u>District's Covered Payroll -PERS Employee's</u>	<u>District's Proportion Share of the Net Pension Liability (Asset) as a percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Position as a percentage of the total Pension Liability</u>
2016	0.0178701078%	4,011,481	1,168,894	343.19%	47.93%
2017	0.0180366475%	5,341,938	1,219,949	437.88%	59.86%
2018	0.0176047276%	4,098,099	1,262,555	324.59%	48.10%
2019	0.0178298100%	3,510,601	1,174,385	298.93%	53.60%
2020	0.0178363350%	3,213,837	1,204,303	266.86%	56.27%
2021	0.0166264521%	2,711,340	1,156,305	234.48%	58.32%
2022	0.0170046316%	2,014,454	1,270,282	158.58%	70.33%
2023	0.0172558060%	2,604,139	1,231,513	211.46%	62.91%
2024	0.0167430180%	2,425,121	1,436,900	168.77%	65.23%
2025	0.0159763893%	2,170,879	1,491,386	145.56%	68.22%

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Schedules of Required Supplementary Information
Schedule of District's Contributions - PERS
*Last 10 Fiscal Years**

<u>Fiscal Year Ending June30,</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to the Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>District's PERS Covered- Employee Payroll</u>	<u>Contributions as a Percentage of PERS Covered- Employee Payroll</u>
2016	153,635	153,635	-	1,168,894	13.14%
2017	160,235	160,235	-	1,219,949	13.13%
2018	163,089	163,089	-	1,262,555	12.92%
2019	177,349	177,349	-	1,174,385	15.10%
2020	173,495	173,495	-	1,204,303	14.41%
2021	181,885	181,885	-	1,156,305	15.73%
2022	199,144	199,144	-	1,270,282	15.68%
2023	217,604	217,604	-	1,231,513	17.67%
2024	223,775	223,775	-	1,436,900	15.57%
2025	217,394	217,394	-	1,491,386	14.58%

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Schedules of Required Supplementary Information
Schedule of District's Proportionate Share of Net Pension Liability - TPAF
Last 10 Fiscal Years*

Fiscal Year Ending June30,	District's Proportion Share of the Net Pension Liability (Asset)	District's Proportion Share of the Net Pension Liability (Asset)	State's Proportionate Share of the Net Pension Liability Associated with the District (Asset)	District's Covered Payroll - TPAF Employee's	District's Proportion Share of the Net Pension Liability (Asset) as a percentage of its Covered Payroll	Plan Fiduciary Net Position as a percentage of the total Pension Liability
2016	0.0574890785%	\$ -	36,335,553	5,725,673	0.00%	28.71%
2017	0.0583471303%	\$ -	45,899,568	5,943,691	0.00%	28.75%
2018	0.0574029597%	\$ -	38,703,145	5,788,875	0.00%	34.07%
2019	0.0585754511%	\$ -	37,264,444	6,012,011	0.00%	26.49%
2020	0.0559901084%	\$ -	34,361,658	6,418,430	0.00%	26.95%
2021	0.0534157801%	\$ -	35,173,648	6,673,658	0.00%	24.60%
2022	0.0563022033%	\$ -	27,067,390	6,724,153	0.00%	35.52%
2023	0.0586436704%	\$ -	30,256,859	6,256,703	0.00%	32.29%
2024	0.0564352993%	\$ -	28,800,440	6,505,618	0.00%	34.68%
2025	0.0575001657%	\$ -	28,419,518	7,202,201	0.00%	37.99%

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Note to Required Schedules of Supplementary Information - Part III
For the fiscal year ended June 30, 2025

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms

None

Change in assumptions

None

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms

None

Change in assumptions

None

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Schedule of Required Supplementary Information
Schedule of Changes in the District's Proportionate Share of the State OPEB Liability
Last 10 Fiscal Years*

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability								
Service Costs	1,066,248	1,067,745	1,387,982	1,555,601	804,051	\$ 824,892	\$ 940,713	\$ 1,128,238
Interest on Total OPEB Liability	880,499	853,075	623,271	708,781	678,421	829,861	881,182	757,457
Changes of Benefit Terms				(29,082)				
Difference between Expected and Actual Experiences	(772,087)	(623,041)	1,091,365	(6,192,762)	6,194,669	(3,425,500)	(1,928,550)	
Changes in Assumptions	2,001,147	48,822	(6,309,100)	26,956	5,807,570	280,987	(2,397,985)	(3,125,310)
Gross Benefit Payments	(672,451)	(664,986)	(617,369)	(558,321)	(553,498)	(578,499)	(558,767)	(554,516)
Contribution from the Member	23,025	21,861	19,805	18,120	16,776	17,148	19,312	20,419
Net Changes in total Share of OPEB Liability	<u>2,526,381</u>	<u>703,476</u>	<u>(3,804,046)</u>	<u>(4,470,707)</u>	<u>12,947,989</u>	<u>(2,051,111)</u>	<u>(3,044,095)</u>	<u>(1,773,712)</u>
Total OPEB Liability - Beginning	<u>24,222,166</u>	<u>23,518,690</u>	<u>27,322,736</u>	<u>31,793,443</u>	<u>18,845,454</u>	<u>20,896,565</u>	<u>23,940,660</u>	<u>25,714,372</u>
Total OPEB Liability - Ending	<u>\$ 26,748,547</u>	<u>\$ 24,222,166</u>	<u>\$ 23,518,690</u>	<u>\$ 27,322,736</u>	<u>\$ 31,793,443</u>	<u>\$ 18,845,454</u>	<u>\$ 20,896,565</u>	<u>\$ 23,940,660</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	<u>26,748,547</u>	<u>24,222,166</u>	<u>23,518,690</u>	<u>27,322,736</u>	<u>31,793,443</u>	<u>18,845,454</u>	<u>20,896,565</u>	<u>23,940,660</u>
Total OPEB Liability - Ending	<u>\$ 26,748,547</u>	<u>\$ 24,222,166</u>	<u>\$ 23,518,690</u>	<u>\$ 27,322,736</u>	<u>\$ 31,793,443</u>	<u>\$ 18,845,454</u>	<u>\$ 20,896,565</u>	<u>\$ 23,940,660</u>
District's Covered Employee Payroll	<u>\$ 8,603,587</u>	<u>\$ 7,942,518</u>	<u>\$ 7,488,216</u>	<u>\$ 7,994,435</u>	<u>\$ 7,829,963</u>	<u>\$ 7,622,733</u>	<u>\$ 7,186,396</u>	<u>\$ 7,051,430</u>
Districts' Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%

Notes to Schedule:

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

Change in benefit terms Decrease in liability due to employers adopting the provisions of Ch. 44.

Change in assumptions Assumptions used in calculating the OPEB liability are presented in Note 8.

* GASB requires that ten years of information be presented. However, since fiscal year 2018 was the first year of GASB 75 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

Other Supplementary Information

SPECIAL REVENUE FUND

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT

Special Revenue Fund

Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2025

	Total Brought Forward (Ex. E-1a)	Title I Part - A Improving Basic Programs	Title I SIA	Title II Part - A Teacher/Principal Training & Recruiting	Title III English Language Enhancement	Title III English Language Enhancement Carryover	Title IV Student Support and Academic Enrichment	Totals 2025
REVENUES								
Local Sources	284,581.13							284,581.13
State Sources	622,896.00							622,896.00
Federal Sources	395,008.00	250,782.00	53,650.00	41,008.00	23,533.00	595.00	17,934.00	782,510.00
Total Revenues	1,302,485.13	250,782.00	53,650.00	41,008.00	23,533.00	595.00	17,934.00	1,689,987.13
EXPENDITURES:								
Instruction:								
Salaries of Teachers	32,460.00	146,785.00	29,445.00				2,340.00	211,030.00
Purchased Professional - Educational Services	212,069.00							212,069.00
Other Purchased Services (400-500 series)	202,592.00							202,592.00
General Supplies	38,434.47	20,437.00	24,205.00		10,415.00		14,159.00	107,650.47
Textbooks	118,629.00							118,629.00
Total Instruction	604,184.47	167,222.00	53,650.00		10,415.00		16,499.00	851,970.47
Support Services:								
Other Salaries		7,643.00			3,887.00			11,530.00
Personal Services - Employee Benefits		75,357.00					1,435.00	75,357.00
Purchased Professional & Technical Services	15,596.00			5,000.00				22,031.00
Purchased Professional - Educational Services	358,546.00							358,546.00
Other Purchased Services (400-500 series)				36,008.00	2,655.00			38,663.00
Supplies & Materials	42,789.00	560.00			6,576.00	595.00		50,520.00
Student Activities	151,599.65							151,599.65
Total Support Services	568,530.65	83,560.00		41,008.00	13,118.00	595.00	1,435.00	708,246.65
Total Expenditures	1,172,715.12	250,782.00	53,650.00	41,008.00	23,533.00	595.00	17,934.00	1,560,217.12
Excess (Deficiency) of Revenues Over (Under)								
Expenditures and Other Financing Sources (Uses)	129,770.01							129,770.01
Fund Balance, July 1	274,551.10							274,551.10
Fund Balance, June 30	404,321.11							404,321.11

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2025

	Total Brought Forward (Ex. E-1b)	I.D.E.A. Part B Basic	I.D.E.A. Part B Carryover	ARP ESSER	ARP Learning Accel.	ARP Summer Learning	ARP Beyond the Day	ARP Mental Health Support	Total Carried Forward
REVENUES									
Local Sources	284,581.13								284,581.13
State Sources	622,896.00								622,896.00
Federal Sources		269,914.00	510.00	495.00	15,596.00	28,470.00	37,234.00	42,789.00	395,008.00
Total Revenues	<u>907,477.13</u>	<u>269,914.00</u>	<u>510.00</u>	<u>495.00</u>	<u>15,596.00</u>	<u>28,470.00</u>	<u>37,234.00</u>	<u>42,789.00</u>	<u>1,302,485.13</u>
EXPENDITURES:									
Instruction:									
Salaries of Teachers						28,440.00	4,020.00		32,460.00
Purchased Professional - Educational Services	212,069.00								212,069.00
Other Purchased Services (400-500 series)		202,592.00							202,592.00
General Supplies	3,211.47	974.00	510.00	495.00		30.00	33,214.00		38,434.47
Textbooks	118,629.00								118,629.00
Total Instruction	<u>333,909.47</u>	<u>203,566.00</u>	<u>510.00</u>	<u>495.00</u>		<u>28,470.00</u>	<u>37,234.00</u>		<u>604,184.47</u>
Support services:									
Other Salaries									
Personal Services - Employee Benefits					15,596.00				15,596.00
Purchased Professional & Technical Services									358,546.00
Purchased Professional - Educational Services	292,198.00	66,348.00							
Other Purchased Services (400-500 series)								42,789.00	42,789.00
Supplies & Materials	151,599.65								151,599.65
Student Activities	443,797.65	66,348.00			15,596.00			42,789.00	568,530.65
Total Support Services									
Total Expenditures	<u>777,707.12</u>	<u>269,914.00</u>	<u>510.00</u>	<u>495.00</u>	<u>15,596.00</u>	<u>28,470.00</u>	<u>37,234.00</u>	<u>42,789.00</u>	<u>1,172,715.12</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	129,770.01								129,770.01
Fund Balance, July 1	274,551.10								274,551.10
Fund Balance, June 30	<u>404,321.11</u>								<u>404,321.11</u>

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT

Special Revenue Fund

Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2025

	Total Brought Forward (Ex. E-1c)	School Based Youth Service	Donation	Student Activity Fund	Total Carried Forward
REVENUES					
Local Sources					
State Sources	330,698.00	292,198.00	3,211.47	281,369.66	284,581.13
Federal Sources					622,896.00
Total Revenues	<u>330,698.00</u>	<u>292,198.00</u>	<u>3,211.47</u>	<u>281,369.66</u>	<u>907,477.13</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers					
Purchased Professional - Educational Services	212,069.00				212,069.00
Other Purchased Services (400-500 series)					
General Supplies			3,211.47		3,211.47
Textbooks	118,629.00				118,629.00
Total Instruction	<u>330,698.00</u>		<u>3,211.47</u>		<u>333,909.47</u>
Support Services:					
Other Salaries					
Personal Services - Employee Benefits					
Purchased Professional & Technical Services		292,198.00			292,198.00
Purchased Professional - Educational Services					
Other Purchased Services (400-500 series)					
Supplies & Materials					
Student Activities				151,599.65	151,599.65
Total Support Services		<u>292,198.00</u>		<u>151,599.65</u>	<u>443,797.65</u>
Total Expenditures	<u>330,698.00</u>	<u>292,198.00</u>	<u>3,211.47</u>	<u>151,599.65</u>	<u>777,707.12</u>
Excess (Deficiency) of Revenues Over (Under)					
Expenditures and Other Financing Sources (Uses)				129,770.01	129,770.01
Fund Balance, July 1				274,551.10	274,551.10
Fund Balance, June 30				<u>404,321.11</u>	<u>404,321.11</u>

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2025

	Total Brought Forward (Ex. E-1c)	Ch. 193 - Handicapped Services					Total Carried Forward
		Nonpublic Security Aid	Nonpublic Technology Aid	Nonpublic Initial Exam & Classification	Nonpublic Annual Exam & Classification	Nonpublic Corrective Speech	
REVENUES							
Local Sources	111,980.00	95,940.00	21,297.00	34,481.00	15,580.00	1,860.00	49,560.00
State Sources							
Federal Sources							
Total Revenues	111,980.00	95,940.00	21,297.00	34,481.00	15,580.00	1,860.00	49,560.00
EXPENDITURES:							
Instruction:							
Salaries of Teachers							
Purchased Professional - Educational Services	89,291.00		21,297.00	34,481.00	15,580.00	1,860.00	49,560.00
Other Purchased Services (400-500 series)							
General Supplies							
Textbooks	22,689.00	95,940.00					
Total Instruction	111,980.00	95,940.00	21,297.00	34,481.00	15,580.00	1,860.00	49,560.00
Support Services:							
Other Salaries							
Personal Services - Employee Benefits							
Purchased Professional & Technical Services							
Purchased Professional - Educational Services							
Other Purchased Services (400-500 series)							
Supplies & Materials							
Student Activities							
Total Support Services							
Total Expenditures	111,980.00	95,940.00	21,297.00	34,481.00	15,580.00	1,860.00	49,560.00
Excess (Deficiency) of Revenues Over (Under)							
Expenditures and Other Financing Sources (Uses)							
Fund Balance, July 1							
Fund Balance, June 30							

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2025

	Ch. 192				Total Carried Forward
	Auxiliary Services				
	Nonpublic Compensatory Education	Nonpublic ESL Aid	Nonpublic Textbook Aid	Nonpublic Nursing Aid	
REVENUES					
Local Sources					
State Sources	27,568.00	883.00	22,689.00	60,840.00	111,980.00
Federal Sources					
Total Revenues	27,568.00	883.00	22,689.00	60,840.00	111,980.00
EXPENDITURES:					
Instruction:					
Salaries of Teachers					
Purchased Professional - Educational Services					
Other Purchased Services (400-500 series)	27,568.00	883.00		60,840.00	89,291.00
General Supplies					
Textbooks			22,689.00		22,689.00
Total instruction	27,568.00	883.00	22,689.00	60,840.00	111,980.00
Support services:					
Other Salaries					
Personal Services - Employee Benefits					
Purchased Professional & Technical Services					
Purchased Professional - Educational Services					
Other Purchased Services (400-500 series)					
Supplies & Materials					
Student Activities					
Total support services					
Total Expenditures	27,568.00	883.00	22,689.00	60,840.00	111,980.00
Excess (Deficiency) of Revenues Over (Under)					
Expenditures and Other Financing Sources (Uses)					
Fund Balance, July 1					
Fund Balance, June 30					

CAPITAL PROJECTS FUND

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budgetary Basis
For the Year Ended June 30, 2025

Revenues and Other Financing Sources	
Interest and Investment Revenue	77,792.90
Total Revenues	<u>77,792.90</u>
 Expenditures and Other Financing Uses	
Architectural / Engineering Services	7,991.49
Construction Services	5,474,021.83
Total Expenditures	<u>5,482,013.32</u>
 Excess (deficiency) or Revenues over (under) Expenditures	(5,404,220.42)
 Fund balance - beginning	<u>5,724,466.51</u>
 Fund balance - ending	<u><u>320,246.09</u></u>
 <u>Recapitulation:</u>	
Unrestricted Fund Balance	<u><u>320,246.09</u></u>
 Fund Balance per Governmental Funds (GAAP)	<u><u>320,246.09</u></u>

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
HVAC Replacement / New System
From Inception and For the Year Ended June 30, 2025

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - NJBPU Program Grant	<u>4,728,554.25</u>		<u>4,728,554.25</u>	<u>4,728,554.25</u>
Total Revenues	<u>4,728,554.25</u>		<u>4,728,554.25</u>	<u>4,728,554.25</u>
 Expenditures and Other Financing Uses				
Purchased Professional Services				
Architectural / Engineering Services	<u>52,593.78</u>	<u>7,991.49</u>	<u>60,585.27</u>	<u>60,585.27</u>
Construction Services	<u>1,097,165.73</u>	<u>3,570,803.25</u>	<u>4,667,968.98</u>	<u>4,667,968.98</u>
Total Expenditures	<u>1,149,759.51</u>	<u>3,578,794.74</u>	<u>4,728,554.25</u>	<u>4,728,554.25</u>
 Excess (deficiency) or Revenues over (under) Expenditures	<u>3,578,794.74</u>	<u>(3,578,794.74)</u>		
 Additional Project Information:				
Project Number	#67730			
Grant Date	7/21/2022			
Original Authorized Cost - Grant	4,728,554.25			
 Percentage Completion	100%			
Original target completion date	24/25			

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Various Improvements and Equipment Upgrades
From Inception and For the Year Ended June 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Lease Purchase Agreement	5,907,660.00		5,907,660.00	5,907,660.00
Interest and Investment Revenue	202,465.85	77,792.90	280,258.75	
Total Revenues	<u>6,110,125.85</u>	<u>77,792.90</u>	<u>6,187,918.75</u>	<u>5,907,660.00</u>
Expenditures and Other Financing Uses				
Purchased Professional Services	33,495.54		33,495.54	33,495.54
Construction Services	3,930,958.54	1,903,218.58	5,834,177.12	5,874,164.46
Total Expenditures	<u>3,964,454.08</u>	<u>1,903,218.58</u>	<u>5,867,672.66</u>	<u>5,907,660.00</u>
Excess (deficiency) or Revenues over (under) Expenditures	<u>2,145,671.77</u>	<u>(1,825,425.68)</u>	<u>320,246.09</u>	
Additional Project Information:				
Project Number	NA			
Grant Date	9/8/2023			
Original Authorized Cost - Lease Purchase Agreement	5,907,660.00			
Percentage Completion	5%			
Original target completion date	25/26			

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Capital Projects Fund
Summary Statement of Project Expenditures
For the Year Ended June 30, 2025

Project Title/Issue	Original Date or Project Number	Appropriations	Expenditures to Date		Unexpended Balance June 30, 2025
			Prior Years	Current Year	
Manchester Regional High School - HVAC Replacement / New System	7/21/2022	4,728,554.25	1,149,759.51	3,578,794.74	
Various Improvements and Equipment Upgrades	9/8/2023	5,907,660.00	3,964,454.08	1,903,218.58	39,987.34
		<u>10,636,214.25</u>	<u>5,114,213.59</u>	<u>5,482,013.32</u>	<u>39,987.34</u>
<i>Analysis</i>					
			<u>Project Balance - June 30, 2025</u>		<u>39,987.34</u>
			<u>Interest Earned</u>		<u>280,258.75</u>
			<u>Fund Balance/(Deficit) - June 30, 2024</u>		<u>320,246.09</u>

PROPRIETARY FUNDS

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Combining Statement of Net Position
Enterprise Funds
June 30, 2025

	<u>Food Service Program</u>	<u>Community Services Program</u>	<u>Technology Program</u>	<u>Totals</u>
ASSETS				
Current Assets:				
Cash and Cash Equivalents	40,291.19		484,030.44	524,321.63
Accounts Receivable:				
State	1,425.73			1,425.73
Federal	22,891.89			22,891.89
Other	63,252.40			63,252.40
Total Current Assets	<u>127,861.21</u>		<u>484,030.44</u>	<u>611,891.65</u>
Noncurrent Assets:				
Capital Assets:				
Equipment	531,171.15		20,195.27	551,366.42
Less Accumulated Depreciation	<u>(376,046.34)</u>		<u>(20,195.27)</u>	<u>(396,241.61)</u>
Total Capital Assets (Net of Accumulated Depreciation)	<u>155,124.81</u>			<u>155,124.81</u>
Total Assets	<u><u>282,986.02</u></u>		<u><u>484,030.44</u></u>	<u><u>767,016.46</u></u>
LIABILITIES				
Current Liabilities:				
Cash Deficit		12,775.42		12,775.42
Payable to Federal Government	7,265.01			7,265.01
Payable to State Government	15.97			15.97
Interfunds Payable	232,098.69			232,098.69
Total Current Liabilities	<u>239,379.67</u>	<u>12,775.42</u>		<u>252,155.09</u>
Total Liabilities	<u>239,379.67</u>	<u>12,775.42</u>		<u>252,155.09</u>
NET POSITION				
Invested in Capital Assets Net of Related Debt	155,124.81			155,124.81
Unrestricted	<u>(111,518.46)</u>	<u>(12,775.42)</u>	484,030.44	<u>359,736.56</u>
Total Net Position	<u><u>43,606.35</u></u>	<u><u>(12,775.42)</u></u>	<u><u>484,030.44</u></u>	<u><u>514,861.37</u></u>

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Enterprise Funds
For the Year Ended June 30, 2025

	Food Service Program	Community Services Program	Technology Program	Totals
Operating Revenues:				
Charges for Services:				
Daily Sales - Reimbursable Programs	75,089.00			75,089.00
Daily Sales - Non-Reimbursable Programs	62,979.24			62,979.24
Special Functions	7,940.00			7,940.00
Miscellaneous - Program Fees			226,600.00	226,600.00
Total Operating Revenues	<u>146,008.24</u>		<u>226,600.00</u>	<u>372,608.24</u>
Operating Expenses:				
Cost of Food	295,687.22			295,687.22
Salaries	149,121.94		154,103.51	303,225.45
Supplies and Materials	17,878.28			17,878.28
Employee Benefits	11,335.96			11,335.96
Other Purchased Professional and Technical Services	65,094.70			65,094.70
Cleaning Repair & Maintenance	9,101.55			9,101.55
Depreciation	29,488.47			29,488.47
Total Operating Expenses	<u>577,708.12</u>		<u>154,103.51</u>	<u>731,811.63</u>
Operating Income (Loss)	<u>(431,699.88)</u>		<u>72,496.49</u>	<u>(359,203.39)</u>
Nonoperating Revenues (Expenses):				
State Sources:				
State School Lunch Program	15,162.31			15,162.31
State School Breakfast Program	3,039.65			3,039.65
Summer Food Service Program	93.00			93.00
P-EBT Administrative Cost Reimbursement	321.50			321.50
Federal Sources:				
National School Lunch Program	268,054.28			268,054.28
National School Breakfast Program	25,305.87			25,305.87
HHFKA Program	7,725.78			7,725.78
Summer Food Service Program	4,770.90			4,770.90
Food Distribution Program	57,939.87			57,939.87
P-EBT Administrative Cost Reimbursement	321.50			321.50
Total Nonoperating Revenues (Expenses)	<u>382,734.66</u>			<u>382,734.66</u>
Income (Loss) Before Contributions & Transfers	<u>(48,965.22)</u>		<u>72,496.49</u>	<u>23,531.27</u>
Change in Net Position	(48,965.22)		72,496.49	23,531.27
Total Net Position—Beginning	<u>92,571.57</u>	<u>(12,775.42)</u>	<u>411,533.95</u>	<u>491,330.10</u>
Total Net Position—Ending	<u><u>43,606.35</u></u>	<u><u>(12,775.42)</u></u>	<u><u>484,030.44</u></u>	<u><u>514,861.37</u></u>

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Combining Statement of Cash Flows
Enterprise Funds
For the Year Ended June 30, 2025

	Food Service Program	Community Services Program	Technology Program	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers	91,142.59		226,600.00	317,742.59
Payments for Interfunds	(83,178.52)			(83,178.52)
Payments to Employees	(82,100.07)		(154,103.51)	(236,203.58)
Payments for Employee Benefits	(6,280.65)			(6,280.65)
Payments to Suppliers	(249,005.43)			(249,005.43)
Payments for Miscellaneous Expenses	(11,523.70)			(11,523.70)
Net Cash Provided by (Used for) Operating Activities	<u>(340,945.78)</u>		<u>72,496.49</u>	<u>(268,449.29)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
State Sources	17,890.93			17,890.93
Federal Sources	321,893.76			321,893.76
Net Cash Provided by (Used for) Non-Capital Financing Activities	<u>339,784.69</u>			<u>339,784.69</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(1,161.09)		72,496.49	71,335.40
Balances—Beginning of Year	41,452.28	(12,775.42)	411,533.95	440,210.81
Balances—End of Year	<u>40,291.19</u>	<u>(12,775.42)</u>	<u>484,030.44</u>	<u>511,546.21</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided				
(Used) by Operating Activities:				
Operating Income (Loss)	(431,699.88)		72,496.49	(359,203.39)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided				
(Used for) Operating Activities:				
Depreciation and Net Amortization	29,488.47			29,488.47
Food Distribution Program Donated Commodities	57,939.87			57,939.87
(Increase) Decrease in Accounts Receivable, Net	(58,388.50)			(58,388.50)
(Increase) Decrease in Inventories	5,029.00			5,029.00
Increase (Decrease) in Other Current Liabilities	56,685.26			56,685.26
Total Adjustments	<u>90,754.10</u>			<u>90,754.10</u>
Net Cash Provided by (Used for) Operating Activities	<u>(340,945.78)</u>		<u>72,496.49</u>	<u>(268,449.29)</u>

LONG-TERM DEBT

Exhibit I-1

**MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
General Long Term Debt Account Group
Statement of Obligations under Lease Purchase Agreement
June 30, 2025**

DESCRIPTION	Interest Rate Payable	Amount of Original Issues	Amount Outstanding on July 1, 2024	Retired in Current Year	Amount Outstanding on June 30, 2025
Various Improvements	4.600%	5,907,660.00	4,810,665.92	1,123,170.18	3,687,495.74
TOTAL			4,810,665.92	1,123,170.18	3,687,495.74

STATISTICAL SECTION

STATISTICAL SECTION (UNAUDITED)

Introduction to the Statistical Section

Financial Trends

- J-1 Net Position by Component
- J-2 Changes in Net Position
- J-3 Fund Balances - Governmental Funds
- J-4 Changes in Fund Balances - Governmental Funds
- J-5 General Fund Other Local Revenue by Source

Revenue Capacity

- J-6 Assessed Value and Estimated Actual Value of Taxable Property
- J-7 Direct and Overlapping Property Tax Rates
- J-8 Principal Property Taxpayers
- J-9 Property Tax Levies and Collections

Debt Capacity

- J-10 Ratios of Outstanding Debt by Type
- J-11 Ratios of General Bonded Debt Outstanding
- J-12 Direct and Overlapping Governmental Activities Debt
- J-13 Legal Debt Margin Information

Demographic and Economic Information

- J-14 Demographic and Economic Statistics
- J-15 Principal Employers

Operating Information

- J-16 Full-time Equivalent District Employees by Function/Program
- J-17 Operating Statistics
- J-18 School Building Information*
- J-19 Schedule of Allowable Maintenance Expenditures by School Facility
- J-20 Insurance Schedule

STATISTICAL SECTION (UNAUDITED) - INTRODUCTION

J SERIES

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the district's financial performance and well-being have changes over time.	J-1 to J-5
Revenue Capacity These schedules contain information to help the reader assess the district's most significant local revenue sources, the property tax.	J-6 to J-9
Debt Capacity These schedules 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.	J-10 to J-13
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	J-14 to J-15
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.	J-16 to J-20
Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports (ACFR) for the relevant year.	

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Net Assets/ Position by Component*
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities										
Invested in Capital Assets	6,083,696.71	6,072,262.04	5,899,526.05	5,673,179.03	6,284,696.75	6,049,910.77	7,577,234.54	8,302,827.70	11,237,579.47	19,825,198.98
Restricted	1,696,913.23	1,280,173.31	1,060,218.21	947,688.20	2,164,917.11	3,378,609.19	2,677,475.71	4,169,051.55	8,206,885.39	8,787,174.79
Unrestricted	(4,115,083.39)	(4,353,291.92)	(3,883,317.16)	(3,261,689.77)	(3,623,983.85)	(3,448,337.80)	(2,322,622.28)	(1,081,523.21)	(2,198,864.61)	(2,394,142.11)
Total Governmental Activities Net Assets/Position	3,665,526.55	2,999,143.43	3,076,427.10	3,359,177.46	4,825,630.01	5,980,182.16	7,932,087.97	11,390,356.04	17,245,600.25	26,218,231.66
Business-type Activities										
Invested in Capital Assets, Net of Related Debt	213,877.68	205,689.77	221,034.14	297,032.09	266,102.79	242,678.13	213,390.09	200,173.09	184,613.28	155,124.81
Unrestricted	515,847.32	478,374.76	384,901.97	265,876.78	209,847.55	243,147.28	498,059.03	348,957.10	306,716.82	359,736.56
Total Business-type Activities Net Assets/Position	729,725.00	684,064.53	605,936.11	562,908.87	475,950.34	485,825.41	711,449.12	549,130.19	491,330.10	514,861.37
District-wide										
Invested in Capital Assets, Net of Related Debt	6,297,574.39	6,277,951.81	6,120,560.19	5,970,211.12	6,550,799.54	6,292,588.90	7,790,624.63	8,503,000.79	11,422,192.75	19,980,323.79
Restricted	1,696,913.23	1,280,173.31	1,060,218.21	947,688.20	2,164,917.11	3,378,609.19	2,677,475.71	4,169,051.55	8,206,885.39	8,787,174.79
Unrestricted	(3,599,236.07)	(3,874,917.16)	(3,498,415.19)	(2,995,812.99)	(3,414,136.30)	(3,205,190.52)	(1,824,563.25)	(732,566.11)	(1,892,147.79)	(2,034,405.55)
Total District Net Assets/Position	4,395,251.55	3,683,207.96	3,682,363.21	3,922,086.33	5,301,580.35	6,466,007.57	8,643,537.09	11,939,486.23	17,736,930.35	26,733,093.03

Source: ACFR Schedule A-1

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Changes in Net Assets/Position*
Last Ten Fiscal Years
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental Activities:										
Instruction:										
Regular	6,149,898.15	6,547,499.04	5,944,881.22	6,645,945.71	6,598,276.55	6,547,658.88	6,772,505.27	6,584,071.14	7,182,360.63	8,070,801.75
Special Education	1,725,052.46	1,840,509.23	1,906,339.60	1,826,119.83	1,674,899.52	1,996,299.54	1,892,074.80	1,917,876.66	1,852,901.96	2,156,477.57
Other Special Instruction	30,750.62	37,464.48	70,895.10	39,737.12	6,862.90	1,853.84	1,398.09	2,502.45	3,364.76	3,539.46
Other Instruction	501,432.08	479,396.74	500,846.91	490,726.32	543,139.00	510,389.67	651,464.00	746,420.43	913,792.18	941,823.36
Support Services:										
Tuition	4,754,727.12	4,974,555.30	5,713,374.60	5,638,137.72	5,521,739.29	5,826,227.74	5,558,182.08	5,649,901.70	6,934,817.15	5,915,567.84
Student & Instruction Related Services	1,798,760.43	1,764,151.74	1,819,539.51	1,810,336.32	2,152,778.82	2,534,182.30	2,558,124.59	2,651,764.35	2,971,813.39	2,705,473.19
School Administrative Services	524,939.23	585,554.90	601,795.29	617,084.18	549,375.12	545,635.04	522,483.91	545,766.43	686,615.80	744,175.11
General Administrative Services	575,200.80	649,960.55	577,491.56	543,858.97	552,430.81	665,446.88	651,224.49	722,785.89	488,940.00	469,091.85
Central Services & Admin. Info. Technology	435,538.65	383,063.09	429,673.31	485,116.79	527,267.81	569,314.92	538,411.92	531,965.54	861,281.75	880,568.80
Plant Operations and Maintenance	1,071,920.48	1,070,638.09	1,059,391.95	1,225,438.08	1,208,529.53	1,255,289.58	1,410,465.15	1,547,906.73	1,750,164.37	2,039,690.55
Pupil Transportation	992,056.21	1,125,021.59	1,212,591.17	1,242,893.83	841,852.53	1,021,417.65	1,400,740.21	1,729,513.23	1,738,874.80	1,535,952.86
Unallocated Benefits	3,204,931.00	4,418,757.12	4,671,821.49	3,700,578.47	3,064,309.38	4,386,782.36	2,832,871.59	5,333,043.90	2,075,023.83	1,435,066.05
Charter Schools	78,946.00	77,875.00	85,022.00	147,015.00	136,668.00	321,988.00	327,735.00	270,872.00	279,577.00	5,765.00
Capital Outlay - Non-depreciable	36,508.70	5,765.00	(6,197.69)	5,765.10	5,765.10	5,765.01	90,589.08	5,765.24	5,765.00	5,765.00
Unallocated Depreciation	233,365.33	244,930.65	258,249.04	278,490.57	282,238.63	325,241.21	314,781.33	363,408.83	363,408.83	529,098.50
Total Governmental Activities Expenses	22,114,027.26	24,205,142.52	24,845,715.06	24,697,243.91	23,666,132.99	26,513,492.62	25,523,051.51	28,603,564.52	28,108,701.45	27,433,091.89
Business-type Activities:										
Food Service	521,287.77	526,893.45	575,723.07	592,280.35	519,498.57	237,395.84	484,579.03	727,922.57	577,116.18	577,708.12
Community Services		6,657.30	18,526.38	11,345.93		4,636.60	2,435.40	2,416.00	3,287.90	
Technology Services	292,964.28	313,707.62	333,145.69	211,443.30	183,644.93	132,662.69	140,882.49	147,030.64	148,193.51	154,103.51
Total Business-type Activities Expenses	814,252.05	847,258.37	927,395.14	815,069.58	703,143.50	374,695.13	627,896.92	877,369.21	728,597.59	731,811.63
Total District Expenses	22,928,279.31	25,052,400.89	25,773,110.20	25,512,313.49	24,369,276.49	26,888,187.75	26,150,948.43	29,480,933.73	28,837,299.04	28,164,903.52
Program Revenues										
Governmental Activities:										
Charges for Services:	192,058.89	179,567.72	219,140.15	216,139.31	136,623.89	119,627.90	281,509.31	362,693.61	394,134.22	533,917.10
Operating Grants and Contributions	912,884.00	1,108,464.00	1,181,938.00	1,220,819.00	1,157,631.00	1,496,127.33	1,689,832.49	1,288,555.00	1,757,407.94	1,408,617.47
Total Governmental Activities Program Revenues	1,104,942.89	1,288,031.72	1,401,078.15	1,436,958.31	1,294,254.89	1,615,755.23	1,971,341.80	1,631,248.61	2,151,542.16	1,942,534.57
Business-type Activities:										
Charges for Services:										
Food Service	48,941.86	29,782.26	38,842.99	31,376.15	23,217.90		41,207.51	26,438.25	81,073.68	146,008.24
Community Services		1,125.00	900.00	2,374.00						
Technology Services	254,480.04	259,570.00	279,060.00	205,441.14	205,072.00	190,584.44	195,000.00	200,000.00	206,000.00	226,600.00
Operating Grants and Contributions	519,606.83	511,120.64	530,463.73	532,851.05	387,895.07	177,346.61	617,783.73	488,612.03	383,723.82	382,734.66
Total Business-type Activities Program Revenues	823,028.73	801,597.90	849,266.72	772,042.34	616,184.97	367,931.05	883,991.24	715,050.28	670,797.50	755,342.90
Total District Program Revenues	1,927,971.62	2,089,629.62	2,250,344.87	2,209,000.65	1,910,439.86	1,983,686.28	2,825,333.04	2,346,298.89	2,822,339.66	2,697,877.47

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Changes in Net Assets/Position*
Last Ten Fiscal Years
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net (Expense)/Revenue										
Governmental Activities	(21,009,084.37)	(22,917,110.80)	(23,444,636.91)	(23,260,285.60)	(22,371,878.10)	(24,897,737.39)	(23,551,709.71)	(26,972,315.91)	(25,957,159.29)	(25,480,557.32)
Business-type Activities	8,776.68	(45,660.47)	(78,128.42)	(43,027.24)	(86,958.53)	(6,764.08)	226,094.32	(162,318.93)	(57,800.09)	23,531.27
Total District-wide Net Expense	<u>(21,000,307.69)</u>	<u>(22,962,771.27)</u>	<u>(23,522,765.33)</u>	<u>(23,303,312.84)</u>	<u>(22,458,836.63)</u>	<u>(24,904,501.47)</u>	<u>(23,325,615.39)</u>	<u>(27,134,634.84)</u>	<u>(26,014,959.38)</u>	<u>(25,467,026.05)</u>
General Revenues and Other Changes in Net Assets										
Governmental Activities:										
Property Taxes Levied for General Purposes	10,702,313.00	10,916,358.00	11,384,686.00	10,942,389.00	11,161,237.00	11,161,237.00	11,161,237.00	11,362,470.00	11,589,719.00	11,589,719.00
State Facilities Grant	1,543.70							289,414.73	860,344.78	3,578,794.74
Unrestricted Federal and State Aid	9,860,289.59	11,191,298.53	12,003,576.63	12,465,578.68	12,482,286.82	14,279,543.36	14,197,601.07	17,997,826.32	16,760,506.15	18,881,838.00
Capital Outlay				9,999.00	7,842.00	79,474.00	66,674.00	266,996.00	2,108,585.00	
Cancelled Accounts Receivable / Payable	9,860.53									
Investment Earnings	241.56	1,228.90	918.16	2,359.81	1,559.10	364.80	9.28			
Miscellaneous Income	44,837.05	141,842.25	132,739.79	122,709.47	185,405.73	93,747.19	78,094.17	235,812.62	493,248.57	412,836.99
Transfers						(17,183.00)				
Total Governmental Activities	<u>20,619,085.43</u>	<u>22,250,727.68</u>	<u>23,521,920.58</u>	<u>23,543,035.96</u>	<u>23,838,330.65</u>	<u>25,597,183.35</u>	<u>25,503,615.52</u>	<u>30,152,519.67</u>	<u>31,812,403.50</u>	<u>34,463,188.73</u>
Business-type Activities:										
Investment Earnings						17,183.00				
Cancelled Accounts Receivable						(543.85)				
Total Business-type Activities	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>16,639.15</u>	<u>(470.61)</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total District-wide	<u>20,619,085.43</u>	<u>22,250,727.68</u>	<u>23,521,920.58</u>	<u>23,543,035.96</u>	<u>23,838,330.65</u>	<u>25,613,822.50</u>	<u>25,503,144.91</u>	<u>30,152,519.67</u>	<u>31,812,403.50</u>	<u>34,463,188.73</u>
Change in Net Assets/Position										
Governmental Activities	(389,998.94)	(666,383.12)	77,283.67	282,750.36	1,466,452.55	699,445.96	1,951,905.81	3,180,203.76	5,855,244.21	8,972,631.41
Business-type Activities	8,776.68	(45,660.47)	(78,128.42)	(43,027.24)	(86,958.53)	9,875.07	225,623.71	(162,318.93)	(57,800.09)	23,531.27
Total District	<u>(381,222.26)</u>	<u>(712,043.59)</u>	<u>(844.75)</u>	<u>239,723.12</u>	<u>1,379,494.02</u>	<u>709,321.03</u>	<u>2,177,529.52</u>	<u>3,017,884.83</u>	<u>5,797,444.12</u>	<u>8,996,162.68</u>

Source: ACFR Schedule A-2

* GASB Statement No. 63 became effective for the Fiscal Year Ended June 30, 2013 which changed Net Assets to Net Position.

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Fund Balances Governmental Funds
 Last Ten Fiscal Years
(modified accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Restricted	1,765,477.09	1,280,173.31	1,060,218.21	947,688.20	2,164,917.11	3,236,575.24	2,527,371.52	3,941,670.59	5,786,662.52	8,062,607.59
Assigned	215,501.85	196,155.67	571,441.00	1,289,972.18	833,335.64	208,557.80	841,321.84	2,235,061.27	852,840.17	896,916.61
Unassigned	(268,023.60)	(182,344.59)	(85,335.66)	(271,107.95)	(321,009.49)	244,139.40	215,844.88	(380,491.48)	(405,924.78)	(894,617.72)
Total General fund	1,712,955.34	1,293,984.39	1,546,323.55	1,966,552.43	2,677,243.26	3,689,272.44	3,584,538.24	5,796,240.38	6,233,577.91	8,064,906.48
All Other Governmental Funds										
Restricted, Reported in:										
Capital Projects Fund						142,033.95	150,104.19	227,380.96	2,145,671.77	320,246.09
Special Revenue Fund									274,551.10	404,321.11
Total All Other Governmental Funds	0.00	0.00	0.00	0.00	0.00	142,033.95	150,104.19	227,380.96	2,420,222.87	724,567.20

Source: ACFR Schedule B-1

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT

Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year Ending June 30,

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Tax Levy	10,702,313.00	10,916,358.00	11,384,686.00	10,942,389.00	11,161,237.00	11,161,237.00	11,161,237.00	11,362,470.00	11,589,719.00	11,589,719.00
Transportation Fees	192,058.89	179,567.72	219,140.15	216,139.31	136,623.89	119,627.90	165,187.20	168,634.21	210,798.70	252,547.44
Interest Earned on Capital Reserve Funds	208.00	286.24	800.00	2,030.00	1,395.00	339.00	8.50			
Interest Earned on Emergency Reserve Funds	33.56	48.66	105.03	300.26	147.69	25.80	0.78			
Interest Earned on Maintenance Reserve Funds			13.13	29.55	16.41					
Miscellaneous	44,837.05	142,736.25	132,739.79	122,709.47	187,405.73	157,863.52	194,802.77	430,372.02	678,146.03	697,418.12
State Sources	8,576,625.20	8,907,102.62	9,626,052.75	11,335,595.88	11,995,664.43	12,976,564.61	15,422,109.88	16,815,710.89	19,889,223.07	24,935,009.79
Federal Sources	446,629.09	589,615.91	768,314.88	763,916.80	716,120.39	1,133,707.75	1,216,998.19	1,126,718.16	3,213,688.86	791,796.95
Total Revenues	19,962,704.79	20,735,715.40	22,131,851.73	23,383,110.27	24,198,610.54	25,549,365.58	28,160,344.32	29,903,905.28	35,581,575.66	38,266,491.30
Expenditures										
Instruction:										
Regular	5,087,977.51	5,295,162.25	4,851,849.68	5,549,052.14	5,619,833.86	5,667,506.99	6,086,984.76	5,639,517.12	5,972,894.78	6,642,779.26
Special	1,532,782.84	1,593,549.99	1,668,138.02	1,633,997.68	1,539,996.77	1,856,408.80	1,784,342.27	1,794,763.83	1,654,811.05	1,917,304.12
Other Special Instruction	24,871.98	29,070.54	55,381.36	31,831.00	5,831.58	1,853.84	1,398.09	2,502.45	3,364.76	3,539.46
School-Sponsored/Other Instructional	423,871.64	395,122.37	415,215.39	413,052.70	465,245.57	444,740.33	585,538.74	651,624.49	777,550.54	786,099.32
Support Services:										
Instruction - Tuition	4,754,727.12	4,974,555.30	5,713,374.60	5,638,137.72	5,521,739.29	5,826,227.74	5,558,182.08	5,649,901.70	6,934,817.15	5,915,567.84
Student & Instruction Related Services	1,585,182.64	1,507,343.43	1,574,487.31	1,573,920.62	1,887,595.42	2,279,221.17	2,348,770.96	2,393,080.17	2,654,024.55	2,351,272.52
School Administration	389,815.82	406,398.42	406,115.31	433,784.92	403,522.92	415,044.20	424,835.98	433,856.27	535,454.96	488,792.55
General Administration	332,236.98	352,551.05	305,861.24	284,548.19	267,121.33	379,784.71	414,089.82	425,741.99	434,387.93	410,010.65
Central Services & Admin. Info. Technology	369,893.69	313,464.96	354,804.80	405,783.20	458,997.04	501,814.18	486,141.04	473,698.50	770,426.63	770,719.39
Operations and Maintenance	981,289.95	960,770.95	950,555.25	1,107,310.91	1,123,097.18	1,174,868.24	1,341,894.06	1,439,245.21	1,612,507.89	1,887,443.61
Student Transportation	979,204.33	1,116,588.47	1,208,576.79	1,238,879.46	837,838.15	1,017,403.28	1,398,733.02	1,729,513.23	1,738,874.80	1,535,952.86
Employee Benefits	3,475,436.69	3,791,279.31	4,086,764.64	4,308,054.56	4,214,529.80	4,755,550.70	5,491,594.89	5,749,121.26	6,133,993.35	6,119,125.21
Capital Outlay	479,604.28	340,954.32	203,366.18	197,513.29	1,005,902.80	190,813.46	2,006,767.57	961,488.15	9,356,370.83	9,302,211.61
Charter Schools	78,946.00	77,875.00	85,022.00	147,015.00	136,668.00	321,988.00	327,735.00	270,872.00	279,577.00	
Total Governmental Fund Expenditures	20,495,841.47	21,154,686.36	21,879,512.57	22,962,881.39	23,487,919.71	24,833,225.64	28,257,008.28	27,614,926.37	38,859,056.22	38,130,818.40
Excess (Deficiency) of Revenues Over (Under) Expenditures	(533,136.68)	(418,970.96)	252,339.16	420,228.88	710,690.83	716,139.94	(96,663.96)	2,288,978.91	(3,277,480.56)	135,672.90
Other Financing Sources (Uses)										
Operating Transfers In	12,315.07					(17,183.00)			5,907,660.00	
Operating Transfers Out	(12,315.07)									
Proceeds Lease Purchase Agreement	30,744.00									
Cancellation of Contracts Payable	(20,883.47)									
Cancellation of Accounts Receivable										
Total Other Financing Sources (Uses)	9,860.53					(17,183.00)			5,907,660.00	
Net Changes in Fund Balance	(523,276.15)	(418,970.96)	252,339.16	420,228.88	710,690.83	698,956.94	(96,663.96)	2,288,978.91	2,630,179.44	135,672.90
Debt Service as a percentage of noncapital expenditures										

Source: ACFR Schedule B-2

Note: Noncapital expenditures are total expenditures less capital outlay.

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT

**General Fund Other Local Revenue by Source
Last Ten Fiscal Years
Unaudited**

Fiscal Year Ended June 30,	Reimburse/ Tuition	E-Rate	Interest on Investments	Transportation Fees	Various Misc.	Total
2016			1,046.56	192,058.89	44,032.05	237,137.50
2017		114,594.85	1,228.90	179,567.72	27,247.40	322,638.87
2018		79,097.13	3,978.16	219,140.15	49,664.49	351,879.93
2019		35,133.14	11,459.81	216,139.31	78,476.33	341,208.59
2020	123,672.78	20,427.31	8,274.10	136,623.89	34,590.64	323,588.72
2021	34,705.00	9,700.00	2,864.80	119,627.90	46,842.19	213,739.89
2022	15,888.96	13,135.95	1,371.79	165,187.20	47,706.75	243,290.65
2023	93,375.00	30,000.00	62,138.48	168,634.21	50,299.14	404,446.83
2024		52,818.25	172,310.00	210,798.70	65,654.47	501,581.42
2025	12,742.40	139,106.23	158,252.83	252,547.44	24,942.63	587,591.53

Source: District records.

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
Borough of Haledon

Year Ended Dec. 31,	Vacant Land	Residential	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Assessed Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate b
2015	5,385,600	392,160,000		77,027,100	22,962,700	17,586,600	515,122,000		515,122,000	538,282,439	0.9240
2016	5,385,600	390,927,200		75,451,000	23,171,700	18,015,400	512,950,900		512,950,900	521,501,461	0.9440
2017	5,317,400	391,596,800		72,094,300	23,119,700	18,087,300	510,215,500		510,215,500	537,152,256	0.9970
2018	5,317,400	389,470,900		70,293,400	21,397,700	22,094,900	508,574,300		508,574,300	554,816,917	1.0150
2019	5,333,400	389,838,100		69,383,500	21,397,700	21,157,300	507,110,000		507,110,000	592,972,127	1.0550
2020	5,256,000	390,749,600		68,961,200	21,397,700	21,607,300	507,971,800		507,971,800	624,758,009	1.0540
2021	5,101,900	391,094,900		68,873,300	20,612,700	21,917,300	507,600,100		507,600,100	667,476,100	1.0360
2022	5,101,900	391,654,400		67,372,300	20,612,700	21,917,300	506,658,600		506,658,600	739,428,218	1.0730
2023	5,385,500	392,441,700		66,411,200	20,312,900	21,917,300	506,468,600		506,468,600	847,023,028	1.0960
2024	5,251,600	393,141,100		63,564,400	20,312,900	21,917,300	504,187,300		504,187,300	913,195,337	1.0740

Source: Passaic County, Abstract of Ratables and 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 County Board of Taxation requests Treasury to order a reassessment.

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

b Tax rates are per \$100 of assessed value.

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Borough of North Haledon

Year Ended Dec. 31,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities a	Net Assessed Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate b
2015	8,902,400	1,108,014,700	582,200	58,167,300	5,268,600		1,180,935,200	908	1,180,936,108	1,302,643,635	0.2210
2016	8,732,800	1,108,926,300	582,200	58,167,300	5,268,600		1,181,677,200	913	1,181,678,113	1,296,451,026	0.2040
2017	9,719,200	1,109,088,800	582,200	56,562,300	4,584,600		1,180,537,100	899	1,180,537,999	1,315,477,970	0.2170
2018	9,117,000	1,112,084,200	582,200	56,562,300	4,584,600		1,182,930,300	880	1,182,931,180	1,345,819,792	0.1980
2019	8,618,500	1,112,245,300	582,200	58,875,300	4,584,600		1,184,905,900	862	1,184,906,762	1,376,047,491	0.1970
2020	8,256,500	1,114,039,100	582,200	59,161,500	4,584,600		1,186,623,900	848	1,186,624,748	1,400,795,085	0.1990
2021	7,690,600	1,116,728,700	582,350	59,054,000	4,584,600		1,188,640,250	847	1,188,641,097	1,409,458,855	0.1940
2022	7,907,400	1,117,936,600	582,350	59,510,800	4,557,300		1,190,494,450	822	1,190,495,272	1,454,192,188	0.1970
2023	7,445,200	1,119,880,000	582,350	58,979,000	4,557,300		1,191,443,850	777	1,191,444,627	1,534,673,115	0.1960
2024	7,115,900	1,121,562,100	582,350	58,377,900	4,557,300		1,192,195,550	698	1,192,196,248	1,709,287,219	0.1690

Source: Passaic County, Abstract of Ratables and 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 County Board of Taxation requests Treasury to order a reassessment.

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

b Tax rates are per \$100 of assessed value.

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
Borough of Prospect Park

Fiscal Year Ended June 30,	Vacant Land	Residential	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Assessed Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate b
a								a			b
2015(A)	6,997,900	228,649,100		22,356,000	5,589,700		263,592,700	145,000	263,737,700	264,717,261	1.2580
2016	6,997,900	228,597,400		22,356,000	5,589,700		263,541,000	145,000	263,686,000	274,276,948	1.3829
2017	6,997,900	228,481,400		21,857,300	5,589,700		262,926,300	145,000	263,071,300	282,294,785	1.4122
2018	6,962,800	228,551,700		21,770,300	5,589,700		262,874,500	145,000	263,019,500	300,355,505	1.3046
2019	6,962,800	228,461,200		21,815,000	5,589,700		262,828,700	145,000	262,973,700	320,825,501	1.3180
2020	7,005,600	228,430,200		21,777,000	5,346,900		262,559,700	145,000	262,704,700	342,060,497	1.3030
2021	6,996,500	228,448,300		21,777,000	5,346,900	399,700	262,968,400	145,000	263,113,400	374,775,882	1.3620
2022	7,000,700	228,840,500		22,021,800	5,346,900	399,700	263,609,600	145,000	263,754,600	409,279,951	1.3530
2023	7,000,700	228,861,200		20,896,300	5,346,900	399,700	262,504,800	145,000	262,649,800	447,392,620	1.4030
2024	7,000,700	228,549,500		20,603,200	5,346,900	804,500	262,304,800	145,000	262,449,800	497,804,516	1.5810

(A) Revaluation Year

Source: Passaic County, Abstract of Ratables and 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 County Board of Taxation requests Treasury to order a reassessment.

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

b Tax rates are per \$100 of assessed value.

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT

**Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
Per \$100 of Assessed Valuation
Borough of Haledon**

Assessment Year	Basic Rate ^a	General Obligation Debt Service ^b	<u>Overlapping Rates</u>				Total Direct and overlapping Tax Rate
			Regional School District	Local School District	Municipality	County	
2015	0.9237		0.9237	1.1628	1.4234	0.7943	4.3042
2016	0.9440		0.9440	1.2050	1.4510	0.7610	4.3610
2017	0.9970		0.9970	1.2489	1.4836	0.7755	4.5050
2018	1.0150		1.0150	1.2790	1.5320	0.7940	4.6200
2019	1.0550		1.0550	1.2950	1.5940	0.8190	4.7630
2020	1.0540		1.0540	1.2920	1.6550	0.8340	4.8350
2021	1.0360		1.0360	1.2940	1.7060	0.8680	4.9040
2022	1.0730		1.0730	1.2960	1.7530	0.9180	5.0400
2023	1.0960		1.0960	1.2960	1.8710	0.9300	5.1930
2024	1.0740		1.0740	1.3290	1.9550	0.9220	5.2800

* Revaluation Year

Source: District Records and Municipal Tax Collector.

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.

Borough of North Haledon

Assessment Year	Basic Rate ^a	General Obligation Debt Service ^b	<u>Overlapping Rates</u>				Total Direct and overlapping Tax Rate
			Regional School District	Local School District	Municipality	County	
2015	0.2210		0.2210	0.8725	0.8473	0.8392	2.7800
2016	0.2040		0.2040	0.8830	0.8980	0.8220	2.8070
2017	0.2170		0.2170	0.9050	0.9020	0.8260	2.8500
2018	0.1980		0.1980	0.9220	0.9040	0.8400	2.8640
2019	0.1970		0.1970	0.9370	0.9130	0.8170	2.8640
2020	0.1990		0.1990	0.9530	0.9370	0.7990	2.8880
2021	0.1940		0.1940	0.9630	0.9650	0.7830	2.9050
2022	0.1970		0.1970	0.9790	0.9910	0.7680	2.9350
2023	0.1960		0.1960	1.0060	1.0390	0.7180	2.9590
2024	0.1690		0.1690	1.0310	1.1300	0.7300	3.0600

* Revaluation Year

Source: District Records and Municipal Tax Collector.

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.

Borough of Prospect Park

Assessment Year	Basic Rate ^a	General Obligation Debt Service ^b	<u>Overlapping Rates</u>				Total Direct and overlapping Tax Rate
			Regional School District	Local School District	Municipality	County	
2015*	1.2586		1.2586	1.1062	1.5884	0.7628	4.7160
2016	1.3829		1.3829	1.1981	1.6258	0.7802	4.9870
2017	1.4122		1.4122	1.1936	1.6543	0.7929	5.0530
2018	1.3040		1.3040	1.2410	1.7370	0.8430	5.1250
2019	1.3180		1.3180	1.2390	1.7610	0.8580	5.1760
2020	1.3030		1.3030	1.2370	1.8080	0.8820	5.2300
2021	1.3620		1.3620	1.2610	1.8370	0.9410	5.4010
2022	1.3530		1.3530	1.2120	1.9220	0.9760	5.4630
2023	1.4030		1.4030	1.2170	1.9530	0.9490	5.5220
2024	1.5810		1.5810	1.2180	2.1860	0.9660	5.9510

* Revaluation Year

Source: District Records and Municipal Tax Collector.

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.

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT

Schedule of Principal Taxpayers

Current and Nine Years Ago

Borough of Haledon

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank Optional	% of District's Net Assessed Valuation	Taxable Assessed Value	Rank Optional	% of District's Net Assessed Valuation
Haledon Estates LLC	11,837,000	1	2.35%			
Self Storage of Haledon	5,702,000	2	1.13%	5,702,000	3	1.11%
Belmont Estates, LLC	3,650,000	3	0.72%	5,301,000	4	1.03%
Bel-Jo Assoc. LP	3,445,000	4	0.68%	3,445,000	6	0.67%
A.M. Realty Assoc.	3,367,500	5	0.67%	6,507,000	2	1.26%
John Street Holdings	3,100,000	6	0.61%			
397401 HLDN Properties, LLC	2,732,600	7	0.54%			
Stone Industries	2,447,800	8	0.49%	2,447,800	7	0.48%
Taxpayer #1	2,371,000	9	0.47%	2,371,000	8	0.46%
Beazer Homes Corp.	1,656,400	10	0.33%			
Acquackanonk Village				11,837,000	1	2.30%
Nationwide Enterprises, LLC				3,499,000	5	0.68%
C & P Realty				2,262,000	9	0.44%
Jeffery Family Assoc. 431, LLC				1,904,000	10	0.37%
	40,309,300		7.99%	45,275,800		8.80%

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT

Schedule of Principal Taxpayers

Current and Nine Years Ago

Source: Municipal Tax Assessor's Office.

Borough of North Haledon

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank Optional	% of District's Net Assessed Valuation	Taxable Assessed Value	Rank Optional	% of District's Net Assessed Valuation
High Mountain Realty, LLC	7,840,000	1	0.66%	7,840,000	1	0.66%
535 Associates, LLC	4,366,100	2	0.37%	4,225,000	2	0.36%
1243 Belmont Ave., Corp.	4,013,100	3	0.34%	4,013,100	3	0.34%
Sicomac Realty, LLC	3,800,000	4	0.32%	3,800,000	4	0.32%
High Mountain Realty Group	3,400,000	5	0.29%	3,400,000	5	0.29%
920 Belmont Acquisitions, LLC	3,005,400	6	0.25%	3,005,400	6	0.25%
NJTT Realty, LLC	2,548,100	7	0.21%	2,575,400	8	0.22%
Hofer Heights	2,359,000	8	0.20%	2,839,100	7	0.24%
895 Belmont Ave., LLC	2,349,000	9	0.20%			
Alnor Properties	2,068,800	10	0.17%			
Rudd O'Connor				2,068,800	9	0.18%
Overlook Properties				1,900,000	10	0.16%
	<u>35,749,500</u>		<u>3.00%</u>	<u>35,666,800</u>		<u>3.02%</u>

Source: Municipal Tax Assessor's Office.

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT

Schedule of Principal Taxpayers

Current and Nine Years Ago

Borough of Prospect Park

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank Optional	% of District's Net Assessed Valuation	Taxable Assessed Value	Rank Optional	% of District's Net Assessed Valuation
Prospect Partners, LLC	11,793,500	1	4.49%	11,993,500	1	4.55%
Silver Care Services	1,931,000	2	0.74%			
Hazen Realty, Inc.	1,747,000	3	0.67%	1,747,000	3	0.66%
DS Acquisitions, LLC	1,425,000	4	0.54%	1,512,000	5	0.57%
Prospect One Realty, LLP	826,300	5	0.31%			
Taxpayer #1	752,600	6	0.29%	752,600	8	0.29%
Papadoatos & Chen, LLC	666,400	7	0.25%			
Taxpayer #2	665,900	8	0.25%	525,400	10	0.20%
Pine Acres Properties, LLC	649,600	9	0.25%	649,600	9	0.25%
Taxpayer #3	595,700	10	0.23%			
Schon Family, LLC				1,931,000	2	0.73%
JSJP Realty				1,526,000	4	0.58%
Lont & Overcamp				823,000	6	0.31%
Normed Realty, LLC				799,000	7	0.30%
	<u>21,053,000</u>		<u>8.02%</u>	<u>22,259,100</u>		<u>8.44%</u>

Source: Municipal Tax Assessor's Office.

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT**School Tax Levies and Collections
Last Ten Years**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2016	10,702,313	10,521,954	98.31%	180,359
2017	10,916,358	10,207,858	93.51%	708,500
2018	11,384,686	10,224,591	89.81%	1,160,095
2019	10,942,389	10,224,938	93.44%	717,451
2020	11,161,237	10,136,660	90.82%	1,024,577
2021	11,161,237	8,962,014	80.30%	2,199,224
2022	11,161,237	10,124,145	90.71%	1,037,093
2023	11,362,470	10,313,368	90.77%	1,049,102
2024	11,589,719	10,511,696	90.70%	1,078,023
2025	11,589,719	9,992,984	86.22%	1,596,735

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

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

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Certificates of Participation	Lease Purchase Agreement	Bond Anticipation Notes (BANs)	Capital Leases	Total District	
2016						0.00	
2017						0.00	
2018						0.00	
2019						0.00	
2020						0.00	
2021						0.00	
2022						0.00	
2023						0.00	
2024			4,810,665.92			4,810,665.92	203
2025			3,687,495.74			3,687,495.74	152

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.

Exhibit J-11

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2016			0.00	0.00%	
2017			0.00	0.00%	
2018			0.00	0.00%	
2019			0.00	0.00%	
2020			0.00	0.00%	
2021			0.00	0.00%	
2022			0.00	0.00%	
2023			0.00	0.00%	
2024			0.00	0.00%	
2025			0.00	0.00%	
			Not Applicable		

Notes: Details regarding the district's outstanding debt can be found in the notes to the financial statements.
a Equalized valuation of Regional School District .
b Population data can be found in Exhibit NJ J-14.

Deductions are allowable for resources that are restricted to repaying the principal of debt outstanding.

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of June 30, 2025

<u>Governmental Unit</u>	<u>Debt Outstanding (1)</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Borough of Haledon	\$ 11,583,544	100.000%	\$ 11,583,544
Borough of North Haledon	15,144,449	100.000%	15,144,449
Borough of Prospect Park	9,446,967	100.000%	9,446,967
Other debt			
Passaic County General Obligation Debt	254,533,500	4.37115%	11,126,047
Passaic County Utility Authority	34,725,000	4.37115%	1,517,883
Subtotal, overlapping debt			48,818,889
Manchester Regional High School District Direct Debt			-
Total direct and overlapping debt			<u><u>\$ 48,818,889</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the Passaic County Board of Taxation.
Debt outstanding data provided by each governmental unit.

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

(1) Debt Information as of December 31, 20224

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Legal Debt Margin Information,
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2023

Equalized valuation basis											
	2024	\$	3,399,895,030								
	2023		3,117,730,496								
	2022		2,824,539,387								
	[A]	\$	9,342,164,913								
	[A/3]	\$	3,114,054,971								
	[B]		93,421,649	a							
	[C]		-								
	[B-C]	\$	93,421,649								

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation

a Limit set by NJSA 18A-24-19 for a 9 through 12 district; other % limits would be applicable for other district types.

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT**Demographic and Economic Statistics
Last Ten Years****Borough of Haledon**

Fiscal Year Ended June30,	School District Population (1)	Personal Income in Thousands \$ (2)	Per Capita Income (3)	Unemployment Rate (4)
2016	8,341	374,577,628	44,908	6.60%
2017	8,326	383,370,670	46,045	6.50%
2018	8,330	388,319,610	46,617	6.00%
2019	8,315	392,393,165	47,191	5.30%
2020	8,294	407,791,098	49,167	4.40%
2021	8,261	422,987,983	51,203	13.30%
2022	8,932	498,182,300	55,775	8.90%
2023	8,870	528,288,330	59,559	5.20%
2024	8,834	504,129,878	57,067	5.50%
2025	9,063	543,798,126	60,002	5.20%

Source: (1) U.S. Bureau of the Census, Population Division,
(Estimates April 1, 2015 - July 1, 2024)
(2) Personal income of the District is based on County Information.
(3) U.S. Department of Commerce, County Information 2014-2023.
(4) N.J. Department of Labor.

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT**Demographic and Economic Statistics
Last Ten Years****Borough of North Haledon**

Fiscal Year Ended June 30,	School District Population (1)	Personal Income in Thousands \$ (2)	Per Capita Income (3)	Unemployment Rate (4)
2016	8,452	379,562,416	44,908	4.60%
2017	8,463	389,678,835	46,045	4.20%
2018	8,469	394,799,373	46,617	4.20%
2019	8,417	397,206,647	47,191	3.50%
2020	8,396	412,806,132	49,167	3.00%
2021	8,362	428,159,486	51,203	9.40%
2022	8,866	494,501,150	55,775	6.40%
2023	8,635	514,291,965	59,559	3.40%
2024	8,633	492,659,411	57,067	4.10%
2025	8,854	531,257,708	60,002	4.10%

Source: (1) U.S. Bureau of the Census, Population Division,
(Estimates April 1, 2015 - July 1, 2024)
(2) Personal income of the District is based on County Information.
(3) U.S. Department of Commerce, County Information 2014-2023.
(4) N.J. Department of Labor.

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT**Demographic and Economic Statistics
Last Ten Years****Borough of Prospect Park**

Fiscal Year Ended June 30,	School District Population (1)	Personal Income in Thousands \$ (2)	Per Capita Income (3)	Unemployment Rate (4)
2016	5,875	263,834,500	44,908	6.40%
2017	5,865	270,053,925	46,045	6.30%
2018	5,868	273,548,556	46,617	5.70%
2019	5,855	276,303,305	47,191	5.30%
2020	5,840	287,135,280	49,167	4.80%
2021	5,817	297,847,851	51,203	13.00%
2022	6,285	350,545,875	55,775	8.90%
2023	6,245	371,945,955	59,559	4.90%
2024	6,219	354,899,673	57,067	6.00%
2025	6,382	382,932,764	60,002	6.90%

Source:

- (1) U.S. Bureau of the Census, Population Division,
(Estimates April 1, 2015 - July 1, 2024)
- (2) Personal income of the District is based on County Information.
- (3) U.S. Department of Commerce, County Information 2014-2023.
- (4) N.J. Department of Labor.

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT

Schedule of Principal Employers

Current and Nine Years Ago

2023

2014

INFORMATION IS NOT AVAILABLE

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years

<u>Function/Program</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>2025</u>
Instruction										
Regular	59.5	58.0	55.5	59.0	56.0	64.0	70.0	72.0	73.0	70.0
Special education	9	10	10	10	10	7.1	11.0	12.0	11.0	10.0
Other special education	7	7	5	5	4	5.5	5.0	5.0	5.0	4.0
Other instruction	3									
Support Services:										
Student & instruction related services	13.7	12.0	12.0	12.0	12.0	12.4	12.0	12.0	12.0	12.0
General administration	2	2	2	2	2	2.0	2.0	2.0	3.0	3.0
School administrative services	4	4	4	4	4	4.0	4.0	4.0	4.0	6.0
Central services	5.5	5.5	5.5	5.5	5.5	5.0	7.0	7.0	7.0	7.0
Administrative Information Technology	1	1	1	2	2			2.0	2.0	2.0
Plant operations and maintenance	7.5	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Other support services	0	0	1	1	1					
Interlocals	3	3	4	2.5	2.0	2.0	3.0	3.0	3.0	3.0
Food Service	5.2	11.0	12.5	12.5	11.5	11.0	7.0	7.0	7.0	7.0
Total	<u>120.4</u>	<u>120.0</u>	<u>119.5</u>	<u>122.5</u>	<u>116.5</u>	<u>120.0</u>	<u>128.0</u>	<u>133.0</u>	<u>134.0</u>	<u>131.0</u>

Source: District Personnel Records

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Operating Statistics,
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Pupil/Teacher Ratio</u>									
	<u>a</u>					<u>b</u>		<u>c</u>		<u>% Change in Average Daily Enrollment</u>
	<u>Enrollment</u>	<u>Expenditures</u>	<u>Cost Per Pupil</u>	<u>% Change</u>	<u>Teaching Staff</u>	<u>High School</u>	<u>Average Daily Enrollment</u>	<u>Average Daily Attendance</u>	<u>Student Attendance Percentage</u>	
2015-2016	861	20,016,237.19	23,247.66	11.15%	68.5	12.57	872.30	790.70	90.65%	-4.38%
2016-2017	852	20,813,732.04	24,429.26	5.08%	68	12.62	851.78	796.27	93.48%	-2.35%
2017-2018	876	21,676,146.39	24,744.46	1.29%	66	13.37	862.86	810.14	93.89%	1.30%
2018-2019	833	22,765,368.10	27,329.37	10.45%	69	12.07	828.00	769.57	92.94%	-4.04%
2019-2020	827	22,482,016.91	27,185.03	-0.53%	69.5	11.9	829.26	789.23	95.17%	0.15%
2020-2021	774	24,642,412.18	31,837.74	17.11%	71.1	10.89	785.22	695.08	88.52%	-5.31%
2021-2022	781	26,250,240.71	33,611.06	5.57%	81	9.64	775.96	691.93	89.17%	-1.18%
2022-2023	842	26,653,438.22	31,654.91	-5.82%	84	10.02	801.24	723.39	90.28%	3.26%
2023-2024	853	29,502,685.42	34,586.97	9.26%	82.5	10.34	763.80	687.42	90.00%	-4.67%
2024-2025	817	28,828,606.79	35,285.93	2.02%	80	10.21	828.50	742.00	89.56%	8.47%

Sources: District Records

Note: Enrollment based on annual October district count.

a-Operating Expenditures equal total expenditures less debt service and capital outlay.

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.

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years

<u>District Buildings</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>2025</u>
<u>Manchester Regional</u>										
High School										
Square Feet	132,643	132,643	132,643	132,643	132,643	132,643	132,643	132,643	132,643	132,643
Capacity(students)	684	684	684	684	684	684	684	684	684	684
Enrollment	861	852	876	833	827	827	781	842	853	817

Number of Schools at June 30, 2025
High School =1

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
General Fund
Schedule of Required Maintenance for School Facilities
For the Fiscal Year Ended June 30,

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

* School Facilities	Project # (s)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Regional High School	N/A	287,509.12	269,800.86	196,771.12	263,814.73	225,905.17	133,607.72	196,717.92	118,024.31	139,672.00	164,055.70
Total School Facilities		287,509.12	269,800.86	196,771.12	263,814.73	225,905.17	133,607.72	196,717.92	118,024.31	139,672.00	164,055.70

* School facilities as defined under EFCA,
(N.J.A.C. 6A:26-1.2 and N.J.A.C. 6:24-1.3)

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT**Insurance Schedule
June 30, 2024**

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - Suburban Essex JIF		
Reinsurer: Selective Insurance Company		
Property - Blanket Limit of JIF	250,000	500 per mbr.
Member Limit:	23,253,670	
Fund Deductible		250,000
Comprehensive General Liability	14,750,000	
Employee Benefits Liability	14,750,000	
Comprehensive Automobile Liability	14,750,000	
Public Employees' Faithful Performance Bond	500,000	
School Leaders Errors & Omissions	10,000,000	
A C E American Insurance Company		
Suburban Essex JIF		10,000
Workers Compensation		
Limit of Liability	WC Statutory	
	EL 14,750,000	
Suburban Essex JIF		250,000
Public Employees' Faithful Performance		
Position Bond		
Treasurer of School Moneys	210,000	
Travelers Insurance Co.		
Board Secretary/Business Administrator	100,000	
Travelers Insurance Co.		

SINGLE AUDIT SECTION



WIELKOTZ & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS

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

Honorable President and
Members of the Board of Education
Manchester Regional High School District
County of Passaic, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Manchester Regional High School District, in the County of Passaic, New Jersey, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 21, 2026.

Internal Control Over Financial Reporting

In planning and performing our audit on the financial statements, we considered the Manchester Regional High School Board of Education'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 Manchester Regional High School Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the Manchester Regional High School Board of Education's internal control.



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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Manchester Regional High School Board of Education'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 the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

We noted certain matters that were required to be reported to the Board of Education of the Manchester Regional High School District in the separate Auditors' Management Report on Administrative Findings - Financial, Compliance and Performance dated January 21, 2026.

Purpose of this Report

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

Steven D. Wielkotz

Steven D. Wielkotz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkotz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

January 21, 2026





WIELKOTZ & COMPANY LLC

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

Honorable President and
Members of the Board of Education
Manchester Regional High School District
County of Passaic, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Board of Education of the Manchester Regional High School District in the County of Passaic, New Jersey, compliance with the types of compliance requirements described in the *OMB Compliance Supplements* and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Manchester Regional High School Board of Education's major federal and state programs for the year ended June 30, 2025. The Manchester Regional High School Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Manchester Regional High School 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 federal and state programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and N.J. OMB Circular 15-08. Our



responsibilities under those standards and the Uniform Guidance and N.J. 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 Manchester Regional High School Board of Education and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of Manchester Regional High School 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 Manchester Regional High School Board of Education's federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance and N.J. 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 Manchester Regional High School Board of Education'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 Manchester Regional High School Board of Education's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and N.J. OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of Manchester Regional High School Board of Education's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

Honorable President and
Members of the Board of Education

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

Steven D. Wielkatz

Steven D. Wielkatz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkatz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

January 21, 2026

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
for the Fiscal Year Ended June 30, 2025

Federal Grant/Pass-Through Grantor Program Title	Federal Assistance Listing Numbers	Federal FAIN Number	Grant Period	Award Amount	Balance at June 30, 2024	Carryover/ Adjustments	Cash Received	Budgetary Expenditures	Balance at June 30, 2025			MEMO Cumulative Total Expenditures
									Accounts Receivable	Deferred Revenue	Due To Grantor at	
U.S. Department of Health and Human Services Passed-Through State DHS:												
General Fund:												
Medical Assistance Program (SEMI)	93.778	2005NI5MAP	07/01/23-06/30/24	9,286.95			9,286.95	(9,286.95)				* 9,286.95
Total General Fund							9,286.95	(9,286.95)				* 9,286.95
U.S. Department of Education Passed-Through State Department of Education:												
Special Revenue Fund:												
Title I - Improving Basic Programs	84.010	S010A240030	07/01/24-09/30/25	281,650.00			141,284.00	(250,782.00)	(109,498.00)			* 250,782.00
Title I - Improving Basic Programs	84.010	S010A230030	07/01/23-09/30/24	321,094.00	(105,870.00)		105,870.00	(53,650.00)	(7,279.00)			* 53,650.00
Title I - SIA	84.010	S010A240030	07/01/24-09/30/25	62,500.00	(105,870.00)		46,371.00	(304,432.00)	(116,777.00)			* 304,432.00
Title II-A- Teacher & Principal Training/Recruiting	84.367A	S367A240029	07/01/24-09/30/25	52,009.00	(127.00)		36,708.00	(41,008.00)	(4,300.00)			* 41,008.00
Title II-A- Teacher & Principal Training/Recruiting	84.367A	S367A230029	07/01/23-09/30/24	50,473.00	(127.00)		127.00	(41,008.00)	(4,300.00)			* 41,008.00
Title III - English Language Enhancements	84.365	S365A240030	07/01/24-09/30/25	53,173.00	(2,007.00)		14,277.00	(23,533.00)	(9,256.00)			* 23,533.00
Title III - English Language Enhancements	84.365	S365A230030	07/01/23-09/30/24	35,235.00	(2,007.00)		2,602.00	(595.00)	(9,256.00)			* 11,711.00
Title IV - Student Support and Academic Enrich.	84.424	S424A240031	07/01/24-09/30/25	44,292.00	(3,235.00)		13,781.00	(17,934.00)	(4,153.00)			* 17,934.00
Title IV - Student Support and Academic Enrich.	84.424	S424A230031	07/01/23-09/30/24	44,369.00	(3,235.00)		3,235.00	(17,934.00)	(4,153.00)			* 17,934.00
I.D.E.A. Part B - Basic Regular	84.027	H027A240100	07/01/24-09/30/25	381,546.00	(76,517.00)		206,110.00	(269,914.00)	(63,804.00)			* 269,914.00
I.D.E.A. Part B - Basic Regular	84.027	H027A230100	07/01/23-09/30/24	379,836.00	(76,517.00)		77,027.00	(510.00)	(63,804.00)			* 292,566.00
U.S. Department of The Treasury Passed-Through State Department of Education:												
Additional or Compensatory Special Education and Related Services	21.027	SLFRFD0EISES	07/01/23-09/30/24	349,038.00	221,730.00		127,308.00		349,038.00			* 349,038.00
ARP-ESSER												
ARP-Accelerated Learning Coach & Educator Support	84.425U	S425U210027	03/13/20-09/30/24	1,949,120.00	(572,011.00)		572,506.00	(495.00)				* 1,949,120.00
ARP-Evidence Based Summer Learning & Enrichment	84.425U	S425U210027	03/13/20-09/30/24	83,558.00	(2,800.00)		15,596.00	(15,596.00)				* 83,558.00
ARP-Evidence Based Comp. Beyond the School Day	84.425U	S425U210027	03/13/20-09/30/24	40,000.00	(1,459.00)		31,270.00	(28,470.00)				* 40,000.00
ARP-NJTSS Mental Health Support Staffing	84.425U	S425U210027	03/13/20-09/30/24	88,501.00	(2,962.00)		38,693.00	(37,234.00)				* 40,000.00
					(579,232.00)		45,751.00	(42,789.00)				* 88,501.00
Total Special Revenue Fund					(545,258.00)		703,816.00	(124,584.00)	(198,290.00)	349,038.00		* 2,201,179.00
							1,478,516.00	(782,510.00)	(198,290.00)	349,038.00		* 3,162,277.00

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
for the Fiscal Year Ended June 30, 2025

Federal Grant/Pass-Through Grantor Program Title	Federal CFDA Number	Federal FAIN Number	Grant Period	Award Amount	Balance at June 30, 2024	Carryover/ Adjustments	Cash Received	Budgetary Expenditures	Balance at June 30, 2025			MEMO Cumulative Total Expenditures
									Accounts Receivable	Deferred Revenue	Due To Grantor at	
U.S. Department of Agriculture Passed-Through State Department of Agriculture:												
Enterprise Fund:												
Non-Cash Assistance:												
Food Distribution Program	10.555	251NJ304N1099	07/01/24-06/30/25	57,939.87		3,516.00	57,939.87	(61,455.87)				*
Food Distribution Program	10.555	241NJ304N1099	07/01/23-06/30/24	52,806.15	3,516.00	(3,516.00)						*
Cash Assistance:												
School Breakfast Program	10.553	251NJ304N1099	07/01/24-06/30/25	25,305.87			23,938.11	(25,305.87)	(1,367.76)			*
School Breakfast Program	10.553	241NJ304N1099	07/01/23-06/30/24	26,714.52	(1,878.92)		1,878.92					*
School Breakfast Program	10.553	231NJ304N1099	07/01/22-06/30/23	30,526.74	449.29					449.29		*
School Breakfast Program	10.553	191NJ304N1099	07/01/18-06/30/19	140,923.95	6,815.72					6,815.72		*
National School Lunch Program	10.555	251NJ304N1099	07/01/24-06/30/25	268,054.28			247,071.41	(268,054.28)	(20,982.87)			*
National School Lunch Program	10.555	241NJ304N1099	07/01/23-06/30/24	255,269.17	(17,599.35)		17,599.35					*
National School Lunch Program - HHFKA	10.555	251NJ304N1099	07/01/24-06/30/25	7,725.78			7,184.52	(7,725.78)	(541.26)			*
National School Lunch Program - HHFKA	10.555	241NJ304N1099	07/01/23-06/30/24	6,550.08	(452.80)		452.80					*
Summer Food Service Program for Children - Food	10.559	251NJ304N1099	07/01/24-06/30/25	4,389.60			4,389.60	(4,389.60)				*
Summer Food Service Program for Children - Admin	10.559	251NJ304N1099	07/01/24-06/30/25	381.30			381.30	(381.30)				*
					(9,150.06)		360,835.88	(367,312.70)	(22,891.89)		7,265.01	*
P-EBT Administrative Cost	10.649	251NJ304S9009	07/01/24-06/30/25	321.50			321.50	(321.50)				*
							321.50	(321.50)				*
Total Enterprise Fund					(9,150.06)		361,157.38	(367,634.20)	(22,891.89)		7,265.01	*
TOTAL FEDERAL FINANCIAL AWARDS												
					(554,408.06)		1,848,960.33	(1,159,431.15)	(221,181.89)	349,038.00	7,265.01	*
												3,539,198.15

See accompanying notes to schedules of expenditures of federal awards and state financial assistance.

MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year Ended June 30, 2025

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	State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2024		Adjustment/ Repayment of Prior Year's Balance	Balance at June 30, 2025			MEMO		
					Deferred Revenue/ (Accts. Receivable)	Due To Grantor		Cash Received	Budgetary Expenditures	Accounts Receivable	Deferred Revenue	Due To Grantor at	Budgetary Receivable
State Department of Education:													
General Fund:													
Equalization Aid		25-495-034-5120-078	07/01/24-06/30/25	14,801,362.00			13,347,951.00	(14,801,362.00)			*	1,453,411.00	14,801,362.00
Special Education Categorical Aid		25-495-034-5120-089	07/01/24-06/30/25	973,531.00			877,936.00	(973,531.00)			*	95,595.00	973,531.00
Security Aid		25-495-034-5120-084	07/01/24-06/30/25	451,877.00			407,505.00	(451,877.00)			*	44,372.00	451,877.00
School Choice Aid		25-495-034-5120-068	07/01/24-06/30/25	767,728.00			692,341.00	(767,728.00)			*	75,387.00	767,728.00
Total State Aid Public							15,325,733.00	(16,994,498.00)			*	1,668,765.00	16,994,498.00
Transportation Aid		25-495-034-5120-014	07/01/24-06/30/25	281,548.00			253,902.00	(281,548.00)			*	27,646.00	281,548.00
Reimbursement of Nonpublic Transportation		25-495-034-5120-014	07/01/24-06/30/25	42,964.00				(42,964.00)			*		42,964.00
Reimbursement of Nonpublic Transportation		24-495-034-5120-014	07/01/23-06/30/24	44,590.00	(44,590.00)		44,590.00				*		
Extraordinary Aid		25-495-034-5120-044	07/01/24-06/30/25	403,221.00				(403,221.00)			*		403,221.00
Extraordinary Aid		24-495-034-5120-044	07/01/23-06/30/24	642,600.00	(642,600.00)		642,600.00				*		
On-Behalf TPAF - Pension		25-495-034-5094-002	07/01/24-06/30/25	2,117,520.00			2,117,520.00	(2,117,520.00)			*		2,117,520.00
On-Behalf TPAF - Post Retirement Medical		25-495-034-5094-001	07/01/24-06/30/25	626,405.00			626,405.00	(626,405.00)			*		626,405.00
On-Behalf TPAF - Non-contributory Insurance		25-495-034-5094-004	07/01/24-06/30/25	26,230.00			26,230.00	(26,230.00)			*		26,230.00
On-Behalf TPAF - LTDI		25-495-034-5094-004	07/01/24-06/30/25	1,058.00			1,058.00	(1,058.00)			*		1,058.00
Reimbursed TPAF - Social Security		25-495-034-5094-003	07/01/24-06/30/25	536,961.05			510,841.56	(536,961.05)			*		536,961.05
Reimbursed TPAF - Social Security		24-495-034-5094-003	07/01/23-06/30/24	517,751.29	(49,055.02)		49,055.02				*		
Total General Fund					(736,245.02)		19,597,934.58	(21,030,405.05)			*	1,696,411.00	21,030,405.05
Special Revenue Fund:													
N.J. Nonpublic Aid:													
Auxiliary Services:													
Compensatory Services		25-100-034-5120-067	07/01/24-06/30/25	45,949.00			45,949.00	(27,568.00)			*		27,568.00
Compensatory Services		24-100-034-5120-067	07/01/23-06/30/24	62,936.00		25,713.00		(25,713.00)			*		
English as a Second Language		25-100-034-5120-067	07/01/24-06/30/25	4,061.00			4,061.00	(883.00)			*		883.00
English as a Second Language		24-100-034-5120-067	07/01/23-06/30/24	4,578.00		3,662.00		(3,662.00)			*		
Home Instruction		24-100-034-5120-067	07/01/23-06/30/24	983.00	(983.00)		983.00	(28,451.00)			*		
Total Nonpublic Auxiliary Services Aid						29,375.00	50,993.00	(29,375.00)			*	21,559.00	28,451.00
Handicapped Services:													
Exam. & Classification		25-100-034-5120-066	07/01/24-06/30/25	58,398.00			58,398.00	(50,061.00)			*		50,061.00
Exam. & Classification		24-100-034-5120-066	07/01/23-06/30/24	85,875.00		28,245.00		(28,245.00)			*		
Corrective Speech		24-100-034-5120-066	07/01/24-06/30/25	5,580.00			5,580.00	(1,860.00)			*		1,860.00
Corrective Speech		24-100-034-5120-066	07/01/23-06/30/24	6,510.00		3,720.00		(3,720.00)			*		
Supplementary Instruction		25-100-034-5120-066	07/01/24-06/30/25	55,507.00			55,507.00	(49,560.00)			*		49,560.00
Supplementary Instruction		24-100-034-5120-066	07/01/23-06/30/24	54,516.00		8,590.00		(8,590.00)			*		
Total Nonpublic Handicapped Services Aid						40,555.00	119,485.00	(101,481.00)			*	18,004.00	101,481.00

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MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year Ended June 30, 2025

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State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2024		Cash Received	Budgetary Expenditures	Adjustment/ Repayment of Prior Year's Balance	Balance at June 30, 2025			MEMO	
				Deferred Revenue/ (Accts. Receivable)	Due To Grantor				Accounts Receivable	Deferred Revenue	Due To Grantor at	Budgetary Receivable	Cumulative Total Expenditures
Special Revenue Fund (cont.):													
Textbook Aid	25-100-034-5120-064	07/01/24-06/30/25	23,678.00			23,678.00	(22,689.00)	(279.00)			989.00	*	22,689.00
Textbook Aid	24-100-034-5120-064	07/01/23-06/30/24	24,685.00		279.00							*	60,840.00
Nursing Services	25-100-034-5120-070	07/01/24-06/30/25	60,840.00			60,840.00	(60,840.00)	(9.00)			1,390.00	*	21,297.00
Technology Initiative	25-100-034-5120-373	07/01/24-06/30/25	22,687.00		9.00	22,687.00	(21,297.00)					*	95,940.00
Technology Initiative	24-100-034-5120-373	07/01/23-06/30/24	20,923.00									*	
Security Aid	25-100-034-5120-509	07/01/24-06/30/25	95,940.00			95,940.00	(95,940.00)					*	
State Department of Health:													
Special Revenue Fund:													
Improving School Health to Enhance Learning		07/01/14-06/30/15	4,000.00	446.09						446.09		*	3,553.91
State Department of Human Services:													
School Based Youth Service Program	SB10054	07/01/24-06/30/25	292,198.00			292,198.00	(292,198.00)					*	292,198.00
School Based Youth Service Program	SB10054	07/01/18-06/30/20	210,172.00	6,110.39		292,198.00	(292,198.00)			6,110.39		*	204,061.61
				6,110.39						6,110.39		*	496,259.61
Total Special Revenue Fund				5,573.48	70,218.00	665,821.00	(622,896.00)	(70,218.00)		6,556.48	41,942.00	*	830,511.52
New Jersey Board of Public Utilities:													
Capital Projects Fund:													
SSB-VIEVR	67730	01/01/22-07/21/24	4,728,554.25	(1,092,381.51)		4,671,176.25	(3,578,794.74)					*	4,728,554.25
Total Capital Projects Fund				(1,092,381.51)		4,671,176.25	(3,578,794.74)					*	4,728,554.25
State Department of Agriculture:													
Enterprise Fund:													
State School Lunch Program	25-100-010-3350-023	07/01/24-06/30/25	8,750.32			8,109.57	(8,750.32)		(640.75)			*	8,750.32
State School Lunch Program	24-100-010-3350-023	07/01/23-06/30/24	9,042.29	(615.35)	15.97	615.35					15.97	*	
State School Lunch Program	23-100-010-3350-023	07/01/22-06/30/23	9,963.97									*	
State School Lunch NIEIE	25-100-010-3350-023	07/01/24-06/30/25	6,411.99			5,858.61	(6,411.99)		(553.38)			*	6,411.99
State School Lunch NIEIE	24-100-010-3350-023	07/01/23-06/30/24	4,646.95	(346.50)		346.50						*	
State School Lunch NIEIE	25-100-010-3350-023	07/01/24-06/30/25	1,724.00			1,634.50	(1,724.00)		(89.50)			*	1,724.00
State School Breakfast Program	25-100-010-3350-023	07/01/23-06/30/24	1,824.90	(127.00)		1,173.55	(1,315.65)		(142.10)			*	1,315.65
State School Breakfast NIEIE	25-100-010-3350-023	07/01/24-06/30/25	1,315.65	(25.85)		25.85						*	
State School Breakfast NIEIE	24-100-010-3350-023	07/01/23-06/30/24	317.25			321.50	(321.50)					*	321.50
P-EBT Administrative Cost	25-100-010-3350-023	07/01/24-06/30/25	321.50			93.00	(93.00)					*	93.00
Summer Food Service Program for Children - Food	25-100-010-3350-023	07/01/24-06/30/25	93.00	(1,114.70)	15.97	18,305.43	(18,616.46)		(1,425.73)		15.97	*	18,616.46
Total Enterprise Fund				(1,824,167.75)	70,233.97	24,953,237.26	(25,250,712.25)	(70,218.00)	(473,730.22)	6,556.48	41,957.97	*	26,608,087.28
TOTAL STATE FINANCIAL ASSISTANCE													
Less On-Behalf TPAF Pension and Annuity Aid													
On-Behalf TPAF -Post Retirement Medical	25-495-034-5094-001	07/01/24-06/30/25	626,405.00			626,405.00	(626,405.00)					*	626,405.00
On-Behalf Teachers' Pension and Annuity	25-495-034-5094-002	07/01/24-06/30/25	2,117,520.00			2,117,520.00	(2,117,520.00)					*	2,117,520.00
On-Behalf TPAF - LTDI	25-495-034-5094-004	07/01/24-06/30/25	1,058.00			1,058.00	(1,058.00)					*	1,058.00
On-Behalf TPAF - Non -contributory Insurance	25-495-034-5094-004	07/01/24-06/30/25	26,230.00			26,230.00	(26,230.00)					*	26,230.00
				-	-	2,771,213.00	(2,771,213.00)	-	-	-	-	*	2,771,213.00
TOTAL FOR STATE FINANCIAL ASSISTANCE MAJOR PROGRAM DETERMINATION													
				(1,824,167.75)	70,233.97	22,182,024.26	(22,479,499.25)	(70,218.00)	(473,730.22)	6,556.48	41,957.97	*	23,836,874.28

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See accompanying notes to schedules of expenditures of federal awards and state financial assistance.

NOTE 1. GENERAL

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance include the activity of all federal and state award programs of the Board of Education, Manchester Regional High School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal and state awards passed through other government agencies is included on the Schedules of Expenditures of Federal Awards and State Financial Assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 1(D) and 1(E) to the Board's basic financial statements. The information in these schedules is presented in accordance with the requirements of *2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ in amounts presented in or used in the preparation of the basic financial statements.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The basic financial statements present the general fund and the 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:22-44.2.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS, (continued)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(297,086.00) for the general fund and \$-0- for the special revenue fund. See Notes to Required Supplemental Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$9,286.95	\$20,733,319.05	\$20,742,606.00
Special Revenue Fund	782,510.00	622,896.00	1,405,406.00
Capital Project Fund		3,578,794.74	3,578,794.74
Food Service Fund	<u>367,634.20</u>	<u>18,616.46</u>	<u>386,250.66</u>
Total Awards and Financial Assistance	<u>\$1,159,431.15</u>	<u>\$24,953,626.25</u>	<u>\$26,113,057.40</u>

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

Revenues and expenditures reported under the 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, 2025. The amount reported as TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2025.

NOTE 6. ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

On-behalf State Programs for TPAF Pension and Post-Retirement Medical Benefits Contributions are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's financial statements and the amount subject to State single audit and major program determination.

NOTE 7. INDIRECT COST RATE

The Manchester Regional High School District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance

NOTE 8. SCHOOLWIDE PROGRAM FUNDS

Schoolwide programs are not separate federal programs as defined in *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Grant Guidance); amounts used in schoolwide programs are included in the total expenditures of the program contributing the funds in the Schedule of Expenditures of Federal Awards. The following funds by program are included in schoolwide programs in the school district:

<u>Program</u>	<u>Total</u>
Title I, Part A: <i>Grants to Local Educational Agencies</i>	\$304,432.00
Title II, Part A: <i>Improving Teacher Quality State Grants</i>	41,008.00
Title III: <i>English Language Acquisition State Grants</i>	24,128.00
Title IV: <i>Student Support and Academic Enrichment</i>	<u>17,934.00</u>
Total	<u>\$387,502.00</u>

**MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

1. Material weakness(es) identified? _____ yes X no
2. Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported

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

Federal Awards

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

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

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

Internal Control over major programs:

1. Material weakness(es) identified? _____ yes X no
2. Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported

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

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.027</u> (B)	<u>H027A240100/ H027A230100</u>	<u>I.D.E.A. Part B Basic</u>

Note: (B) Tested as Major Type B Program.

**MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(continued)**

State Awards

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

Auditee qualified as low-risk auditee? X yes no

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

Internal Control over major programs:

1. Material weakness(es) identified? _____ yes _____ X no
2. Significant deficiencies identified that are not considered to be material weaknesses? yes _____ X _____ none reported

Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 04-04? _____ yes X no

Identification of major programs:

State Grant/Project Number(s)

Name of State Program

State Aid Public Cluster:

25-495-034-5120-078 (A)
25-495-034-5120-068 (A)
25-495-034-5120-089 (A)
25-495-034-5120-084 (A)

25-495-034-5120-014 (B)

Equalization Aid
School Choice
Special Education Categorical Aid
Security Categorical Aid

Transportation Aid

Note: (A) Tested as Major Type A Program.
Note: (B) Tested as Major Type B Program.

**MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Section II - Financial Statement Findings

None

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

No matters were reported.

**MANCHESTER REGIONAL HIGH SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Status of Prior Year Findings

There were no prior year audit findings.