

TOWNSHIP OF MANCHESTER

SUMMARY OR SYNOPSIS OF AUDIT REPORT FOR PUBLICATION

SUMMARY OR SYNOPSIS OF 2025 AUDIT REPORT OF
TOWNSHIP OF MANCHESTER AS REQUIRED BY N.J.S.A. 40A:5-7

COMBINED COMPARATIVE BALANCE SHEETS

	DECEMBER <u>31, 2025</u>	DECEMBER <u>31, 2024</u>
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 24,322,854.12	\$ 34,056,782.84
Taxes, Liens and Utility Rents Receivable	2,212,374.82	1,650,971.19
Property Acquired for Taxes - Assessed Value	11,521,941.64	11,521,941.64
Accounts Receivable	7,386,683.37	5,534,097.24
Fixed Capital Authorized and Uncompleted - Utility	3,191,807.12	11,597,299.78
Fixed Capital - Utility	64,878,472.78	55,703,559.50
Deferred Charges to Future Taxation - General Capital	37,115,988.62	28,445,428.58
Deferred Charges to Revenue of Succeeding Years	1,518,774.00	871,656.11
General Fixed Assets	60,465,323.08	51,630,983.10
<u>TOTAL ASSETS</u>	\$ 212,614,219.55	\$ 201,012,719.98
<u>LIABILITIES, RESERVES AND FUND BALANCES</u>		
Bonds, Notes and Loans Payable	\$ 55,999,719.25	\$ 52,266,155.67
Improvement Authorizations	7,592,529.12	22,186,168.98
Other Liabilities and Special Funds	92,529,918.72	71,809,573.31
Amortization of Debt for Fixed Capital Acquired or Authorized	33,409,387.72	31,972,795.64
Reserve for Certain Assets Receivable	13,820,288.21	13,187,230.64
Fund Balance	9,262,376.53	9,590,795.74
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCES</u>	\$ 212,614,219.55	\$ 201,012,719.98

TOWNSHIP OF MANCHESTER

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN
FUND BALANCE - CURRENT FUND

	YEAR ENDED <u>DECEMBER 31, 2025</u>	YEAR ENDED <u>DECEMBER 31, 2024</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>		
Fund Balance January 1	\$ 3,479,142.55	\$ 4,345,922.22
Miscellaneous - From Other Than Local Property		
Tax Levies	18,515,941.02	19,827,770.93
Collection of Delinquent Taxes and Tax Title Liens	964,720.23	1,012,170.46
Collection of Current Tax Levy	111,666,939.59	103,670,798.42
<u>TOTAL INCOME</u>	\$ 134,626,743.39	<u>\$ 128,856,662.03</u>
<u>EXPENDITURES</u>		
Budget Expenditures:		
Municipal Purposes	\$ 49,876,269.50	\$ 48,111,650.23
County Taxes	25,094,538.82	22,340,623.23
Local District School Taxes	56,754,518.00	54,471,723.00
Municipal Open Space Preservation	770,737.79	426,181.00
Other Expenditures	218,978.69	27,342.02
<u>TOTAL EXPENDITURES</u>	\$ 132,715,042.80	<u>\$ 125,377,519.48</u>
Excess/(Deficit) in Revenue	\$ 1,911,700.59	\$ 3,479,142.55
Adjustments to Income before Fund Balance:		
Expenditures Included Above Which are by Statute		
Deferred Charges to Budget of Succeeding Year	\$ 986,183.79	\$
Fund Balance, December 31	<u>\$ 2,897,884.38</u>	<u>\$ 3,479,142.55</u>

TOWNSHIP OF MANCHESTER

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE
WATER EASTERN SERVICE - UTILITY OPERATING FUND

	YEAR ENDED <u>DECEMBER 31, 2025</u>	YEAR ENDED <u>DECEMBER 31, 2024</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>		
Fund Balance January 1	\$ 500,000.90	\$ 900,000.90
Collection of Water Rents	3,580,346.66	2,731,018.34
Miscellaneous - From Other Than Water Rents	762,682.17	236,325.55
<u>TOTAL INCOME</u>	<u>\$ 4,843,029.73</u>	<u>\$ 3,867,344.79</u>
<u>EXPENDITURES</u>		
Budget Expenditures:		
Operating	\$ 2,456,000.00	\$ 2,526,755.34
Capital Improvements	100,000.00	
Debt Service	591,245.46	570,244.66
Deferred Charges	191,656.11	400,000.00
Statutory Expenditures	62,000.00	62,000.00
Other Expenditures	7,005.10	
<u>TOTAL EXPENDITURES</u>	<u>\$ 3,407,906.67</u>	<u>\$ 3,559,000.00</u>
Operating Deficit to be Raised in Budget of Succeeding Year		<u>191,656.11</u>
Fund Balance, December 31	<u>\$ 1,435,123.06</u>	<u>\$ 500,000.90</u>

TOWNSHIP OF MANCHESTER

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE
SEWER EASTERN SERVICE - UTILITY OPERATING FUND

	YEAR ENDED <u>DECEMBER 31, 2025</u>	YEAR ENDED <u>DECEMBER 31, 2024</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>		
Fund Balance January 1	\$ 3,706,063.23	\$ 4,139,430.70
Collection of Sewer Rents	3,978,728.51	3,931,579.39
Miscellaneous - From Other Than Sewer Rents	875,150.36	885,053.14
<u>TOTAL INCOME</u>	<u>\$ 8,559,942.10</u>	<u>\$ 8,956,063.23</u>
<u>EXPENDITURES</u>		
Budget Expenditures:		
Operating	\$ 4,410,000.00	\$ 4,420,000.00
Capital Improvements	100,000.00	
Statutory Expenditures	90,000.00	80,000.00
Fund Balance (General Budget)	2,000,000.00	750,000.00
<u>TOTAL EXPENDITURES</u>	<u>\$ 6,600,000.00</u>	<u>\$ 5,250,000.00</u>
Fund Balance, December 31	<u>\$ 1,959,942.10</u>	<u>\$ 3,706,063.23</u>

TOWNSHIP OF MANCHESTER

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE
WATER WESTERN SERVICE - UTILITY OPERATING FUND

	YEAR ENDED <u>DECEMBER 31, 2025</u>	YEAR ENDED <u>DECEMBER 31, 2024</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>		
Fund Balance January 1	\$ 637,018.45	\$ 1,078,447.77
Collection of Water Rents	2,545,685.13	2,346,547.90
Miscellaneous - From Other Than Water Rents	870,781.50	402,022.78
<u>TOTAL INCOME</u>	<u>\$ 4,053,485.08</u>	<u>\$ 3,827,018.45</u>
<u>EXPENDITURES</u>		
Budget Expenditures:		
Operating	\$ 2,291,288.00	\$ 2,342,796.00
Debt Service	758,331.19	767,204.00
Statutory Expenditures	80,000.00	80,000.00
Other Expenditures	2,307.27	
<u>TOTAL EXPENDITURES</u>	<u>\$ 3,131,926.46</u>	<u>\$ 3,190,000.00</u>
Fund Balance, December 31	<u>\$ 921,558.62</u>	<u>\$ 637,018.45</u>

TOWNSHIP OF MANCHESTER

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE
SEWER WESTERN SERVICE - UTILITY OPERATING FUND

	YEAR ENDED <u>DECEMBER 31, 2025</u>	YEAR ENDED <u>DECEMBER 31, 2024</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>		
Fund Balance January 1	\$ 269,961.29	\$ 171,838.86
Collection of Sewer Rents	3,005,963.81	2,442,858.55
Miscellaneous - From Other Than Sewer Rents	293,550.60	165,263.88
<u>TOTAL INCOME</u>	<u>\$ 3,569,475.70</u>	<u>\$ 2,779,961.29</u>
<u>EXPENDITURES</u>		
Budget Expenditures:		
Operating	\$ 2,184,628.00	\$ 2,084,132.00
Debt Service	395,371.88	386,868.00
Statutory Expenditures	45,000.00	39,000.00
Other Expenditures	5,867.79	
<u>TOTAL EXPENDITURES</u>	<u>\$ 2,630,867.67</u>	<u>\$ 2,510,000.00</u>
Fund Balance, December 31	<u>\$ 938,608.03</u>	<u>\$ 269,961.29</u>

RECOMMENDATIONS

- 1.) That a review of the internal controls pertaining to the budgetary function be performed and that over-expenditures be prohibited.
- 2.) That resolutions authorizing emergency appropriations along with the required emergency appropriation 3% calculation be filed with the Division of Local Government Services as required.
- 3.) That all interfunds, where practicable, be liquidated prior to year-end.
- 4.) That cash deficits identified in the analysis of water east capital fund cash be funded.
- 5.) That the proper account coding and classification be verified on all transactions prior to posting in the accounting system.

A Corrective Action Plan, which outlines actions the Township of Manchester will take to correct the recommendations listed above, will be prepared in accordance with federal and state requirements. A copy of it will be placed on file and made available for public inspection in the Office of the Township Clerk in the Township of Manchester.

The above summary or synopsis was prepared from the report of audit of the Township of Manchester, County of Ocean, for the year ended December 31, 2025. This report of audit, submitted by Suplee, Clooney & Company LLC, Registered Municipal Accountants and Certified Public Accountants, is on file at the Township Clerk's office and may be inspected by any interested person.

Teri Giercyk

Clerk