MANCELONA PUBLIC SCHOOLS

REPORT ON FINANCIAL STATEMENTS

JUNE 30, 2026

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2026

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MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Mancelona Public Schools
Mancelona, Michigan

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Mancelona Public Schools, Mancelona, Michigan as of and for the year ended June 30, 2026, 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, each major fund, and the aggregate remaining fund information of Mancelona Public Schools, as of June 30, 2026, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the Unites States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Mancelona Public Schools and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As discussed in Note 3 to the financial statements, the District adopted GASB Statement No. 103, *Financial Reporting Model Improvements*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards 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 Mancelona Public Schools' 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 Mancelona Public Schools' ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as identified in the table of contents, on pages 4-12 and 47-57 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Mancelona Public Schools' basic financial statements. The accompanying combining and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 23, 2026, on our consideration of Mancelona Public Schools' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Mancelona Public Schools' 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 Mancelona Public Schools' internal control over financial reporting and compliance.

UHY LLP

Cadillac, Michigan
September 23, 2026

Mancelona Public Schools
Mancelona, Michigan
Management's Discussion and Analysis
For Fiscal Year Ended June 30, 2026

Mancelona Public Schools ("the District") is a K-12 school district educating students in Antrim and Kalkaska Counties, Michigan, as well as students outside its borders who choose to attend through the "schools of choice" program. Our school strives to meet the highest educational standards and takes pride in our school motto "Strong Kids Strong Education." The District has an outstanding Early Childhood Program which includes an on-site daycare center, Strong Beginnings and Great Start Readiness Program.

The District is unique in the network of outstanding community partnerships. Encouraging family and community involvement through organizations and tools such as Communities in Schools of Northwest Michigan, Mancelona Educational Foundation and Powerschool is also important to the District's achievement.

"IRONMEN PRIDE" is prevalent throughout the entire community. The residents prioritize the success of the District by supporting bond proposals such as the Building & Site Sinking Fund and the August 2022 bond for buses, technology and district-wide facility improvements. This additional funding has allowed the District to have impressive, well-maintained facilities and state of the art technology.

As a leading "Schools of Choice" District, we offer an excellent academic experience with intensive reading and math interventions and new curriculum materials, all day instruction for three year olds enrolled in the Strong Beginnings program and four year olds enrolled in the Great Start Readiness Program, many web-based learning opportunities such as online credit recovery, college credit courses through Baker College taught at the high school during normal instruction hours, and college courses through dual enrollment. Mancelona Public Schools is also proud of their athletic, band, and visual art programs.

This section of Mancelona Public Schools' (the "District") annual report presents our discussion and analysis of the District's financial performance during the year ended June 30, 2026. Please read it in conjunction with the District's financial statements, which immediately follows this section.

The purpose of management's discussion and analysis (MD&A) is to help the District's residents and other readers understand what the financial statements and notes in this financial report say about the District's financial health and why it changed since last year. It contains information drawn from those other parts of the report, accompanied by explanations informed by the finance staff's knowledge of the District's finances.

OVERVIEW OF THE FINANCIAL STATEMENTS

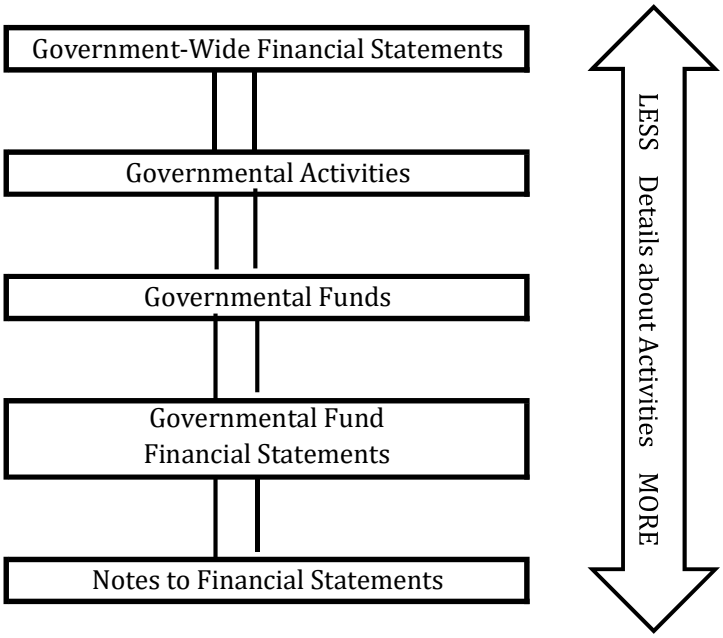
The District's financial report contains basic financial statements. Those financial statements present the District's finance at both an overall and a detailed level. The first two - the *government-wide financial statements* - cover the District's governmental activities. (See the diagram in Figure A-1.)

- *Governmental activities* comprise the District's most basic functions, such as instruction, support services, and food services. Governmental activities primarily are financed by property taxes from non-personal residence exemption properties, state aid foundation, and federal grants. These statements provide both short-term and long-term information.

The remaining basic financial statements present the District's finances in greater detail. As their name implies, the fund financial statements disaggregate financial information by separate funds to report on the specific purposes for which resources are used or for which they are restricted. The District reports one group of funds:

- *Governmental fund financial statements* report all of the governmental. In addition to the District's main operating fund - the general fund - those financial statements report special revenue funds that track the use of restricted or committed funding sources, debt service funds to record the repayment of outstanding bonds, and capital projects funds to account for resources used to acquire or construct long-lived assets.

Figure A-1. Contents of the District's Basic Financial Statements



The next section of this financial report contains *notes to financial statements*, which delve deeper into the District's finances as reported in the financial statements. The information in the notes is as important to understanding the District's finances as the information in the financial statements. The District uses notes to (1) present information in greater detail than is possible within the financial statements themselves, (2) explain the nature of amounts reported in the financial statements and how those amounts were determined, and (3) report certain information that does not meet the requirements for inclusion in the financial statements (such as certain contingencies).

TYPES OF INFORMATION IN THE FINANCIAL STATEMENTS

All of the District's financial statements, except for the governmental fund financial statements, use the economic resources measurement focus and accrual basis of accounting. (See Figure A-2.) In other words, they comprehensively report all types of financial statement elements:

- *Assets* - resources the District controls, from short-term assets like cash and cash equivalents to long-term assets like buildings and transportation equipment.

- *Liabilities* - amounts the District owes, from short-term liabilities such as salaries and related items to long-term liabilities such as outstanding debt and pension obligations.

- *Deferred outflows of resources and deferred inflows of resources* - flows that occurred during the year, or in prior years, that will not be reported as expenses and revenues until the future year to which they are related.

- *Revenues and expenses* - inflows and outflows of economic resources, respectively, related to the current year.

Governmental fund financial statements use the current financial resources measurement focus and modified accrual basis of accounting to report on the sources, uses, and balances of current financial resources. The governmental funds do not report nonfinancial assets, such as capital assets, or certain other long-term items, such as general obligation bonds, but they do report the flows of current financial resources related to those long-term items; for example, the proceeds from issuing bonds or selling equipment, as well as principal and interest payments on bonds and spending on construction.

Figure A-2 Types of Information Reported in the District's Financial Statement

	Financial Statements	
	Government-wide	Governmental Funds
Types of assets and liabilities	* All assets and liabilities, both financial and nonfinancial, short term and long term	* Only current financial resources, such as cash, receivables, and accounts payable
Types of revenues/ additions	* All types of revenues/additions that flow into the District during the year that relate to that year, regardless of when cash is received	* Only revenues that are measurable and available to finance expenditures of that year
Types of expenses/ deductions/ expenditures	* All types of expenses/deductions that flow out of the District during the year that relate to that year, regardless of when cash is paid	* Only expenditures for which the related governmental fund liability is incurred in that year
Types of deferred outflows of resources and deferred inflows of resources	* All types of resources that flow into and out of the District during the year that relate to a future year	* Current financial resources that flow into and out of the governmental funds during the year that related to a future year

More detail about the measurement focuses and bases of accounting can be found in the first note to financial statements, the summary of significant accounting policies.

ANALYSIS OF THE DISTRICTS FINANCES

	2026	2025	Dollar Change	Total Percentage Change
Assets				
Current Assets	$ 8,221,975	$ 9,901,063	$ (1,679,088)	-17.0%
Non Current Assets	30,015,886	28,668,910	1,346,976	4.7%
TOTAL ASSETS	38,237,861	38,569,973	(332,112)	-0.9%
Deferred Outflows of Resources	3,188,687	4,156,037	(967,350)	-23.3%
Liabilities				
Current Liabilities	2,532,211	2,765,717	(233,506)	-8.4%
Non Current Liabilities	26,549,821	28,916,147	(2,366,326)	-8.2%
TOTAL LIABILITIES	29,082,032	31,681,864	(2,599,832)	-8.2%
Deferred Inflows of Resources	6,567,126	7,017,398	(450,272)	-6.4%
Net Position				
Net Investment in Capital Assets	9,654,996	10,533,825	(878,829)	-8.3%
Restricted	3,197,158	2,886,006	311,152	10.8%
Unrestricted - (Deficit)	(7,074,764)	(9,393,083)	2,318,319	24.7%
TOTAL NET POSITION	$ 5,777,390	$ 4,026,748	$ 1,750,642	43.5%

The above table shows that as of June 30, 2026, the District's total net position - assets and deferred outflows minus liabilities and deferred inflows - was $5,777,390, an increase of $1,750,642 or 43.5% compared with 2025. This increase is primarily due to a $2,318,319 or 24.7% increase in unrestricted net position. All of the increase in net position was the result of the financial performance of the governmental activities. The following sections of MD&A analyze the finances of the governmental activities.

GOVERNMENTAL ACTIVITIES

The table below shows that revenues continued to exceed expenses in the current year, resulting in an increase in net position. The total net position of the District's governmental activities was $5,777,390, an increase of $1,750,642 or 43.5% from 2025. Various events contributed to this increase in net position; however, the primary factors affecting the change in net position are as follows:

1. Net change in accruals related to Pension and Other Post Employment Benefits (OPEB)
2. Capital Outlay

CHANGES IN DISTRICT'S NET POSITION

	2026	2025	Dollar Change	Total Percentage Change
Revenues				
Program Revenues				
Charges for Services	$ 339,684	$ 335,386	$ 4,298	1.3%
Operating Grants and Contributions	5,192,741	5,145,111	47,630	0.9%
Capital Grants and Contributions	0	109,403	(109,403)	-100.0%
General Revenues				
Property Taxes	6,312,860	6,191,566	121,294	2.0%
Investment Earnings	248,002	486,637	(238,635)	-49.0%
State Sources	3,184,256	3,439,705	(255,449)	-7.4%
Gain on Sale of Capital Assets	4,000	0	4,000	100%
Other	43,455	247,974	(204,519)	-82.5%
Total Revenues	15,324,998	15,955,782	(630,784)	-4.0%
Expenses				
Instruction	4,627,741	4,505,538	122,203	2.7%
Supporting Services	5,247,783	5,447,412	(199,629)	-3.7%
Food Service Activities	965,226	895,996	69,230	7.7%
Custody and Care of Children	464,457	458,889	5,568	1.2%
Community Services	930	9,378	(8,448)	-90.1%
Prior Period Adjustment	46,449	12	46,437	386975.0%
Interest on Long-Term Debt	700,959	714,416	(13,457)	-1.9%
Bond Issuance Costs	33,255	500	32,755	6551.0%
Other Transactions	97,985	19,349	78,636	406.4%
Unallocated Depreciation	1,389,571	690,817	698,754	101.1%
Total Expenses	13,574,356	12,742,307	832,049	6.5%
Change in Net Position	1,750,642	3,213,475	(1,462,833)	-45.5%
Net Position - Beginning of Year	4,026,748	813,273	3,213,475	395.1%
Net Position - End of Year	$ 5,777,390	$ 4,026,748	$ 1,750,642	43.5%

Net change in accruals related to Pension and Other Post Employment Benefits (OPEB)

There was a notable decrease in the net Pension and OPEB related future costs which are primarily a result of actuarially determined future liabilities, and payments made against these liabilities by the District. The adjustment was to reduce the pension liability and increase the OPEB asset by $2,809,355. The adjustment was a noncash transaction, and a

significant portion of the adjustment was in the instruction function. The District has no control over the pension and OPEB plans as they are administered by the state.

Capital Outlay

The District capitalized $2,184,357 which contributed to the increase in net position for the year.

GOVERNMENTAL FUNDS

The District reports four major funds individually in the governmental fund financial statements. These funds are the general fund, latchkey fund, 2023 capital projects fund and the 2026 capital projects fund. Most of the discussion regarding governmental activities is equally applicable to the finances of these governmental funds. However, certain factors that are relevant to the District's current financial health are more apparent in the fund financial statements than in the government-wide statements. The changes are shown in the table below and are discussed in more detail following the table.

	2026	2025	Increase (Decrease)
Major Fund			
General Fund	$ 4,515,660	$ 4,529,740	$ (14,080)
Latchkey	836,466	763,991	72,475
2023 Capital Projects	0	1,456,931	(1,456,931)
2026 Capital Projects	254,732	0	254,732
Nonmajor Funds			
Food Service	287,760	234,306	53,454
School Activities	224,960	221,796	3,164
2023 Debt Retirement	170,535	192,522	(21,987)
Sinking Capital Projects	239,883	515,123	(275,240)
Stadium Capital Projects	20,776	20,741	35
Total Governmental Funds	$ 6,550,772	$ 7,935,150	$ (1,384,378)

Fund balance represents the financial standing of a governmental fund at the end of the fiscal year from a short-term perspective.

General Fund

The fund balance of the District's general fund decreased by .3%. The decline in fund balance is attributable to (1) a decline in revenues due to decreases in local sources, federal sources, and other transactions, (2) an increase in expenditures due to an increase in wages.

The overall fund balance at the end of June 30, 2026, represented approximately 37% of operating expenditures. Within fund balance, approximately 61% of the balance is considered unassigned. The remaining 39% is considered either restricted, committed, or assigned for other items and is not readily available for use.

Latchkey Fund

The fund balance is 100% assigned for the custody and care of children and can only be used for that purpose. The increase in fund balance is a result of the increase in funding received for child tuition, local programs, and state programs exceeding the cost to provide childcare.

2023 Capital Projects Fund

The fund balance for the 2023 Capital Projects Fund is considered to be 100% restricted. This means that the fund balance can only be used for capital projects and is not readily available for use. This fund was closed this year and the decline in fund balance is a result of the District spending down the final dollars remaining from the 2023 bond issuance.

2026 Capital Projects Fund

The fund balance for the 2026 Capital Projects Fund is considered to be 100% restricted. This means that the fund balance can only be used for capital projects and is not readily available for use. This is a new fund this year and the increase in fund balance is a result of the issuance of the 2026 School Building and Site Bonds.

SIGNIFICANT CAPITAL ASSET AND LONG-TERM OBLIGATIONS

Capital Assets

The discussion thus far has only touched upon certain significant transactions and events during 2026 with respect to capital assets and long-term obligations. Overall, the carrying value of capital assets-original cost minus accumulated depreciation- increased 3.0% over 2025. See the table below for the carrying value of capital assets.

Mancelona Public Schools
Capital Assets (Net of Depreciation, When Applicable)

	2026			2025		
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value	Change in Net Book Value	Total Percentage Change
Land and Improvements	$ 878,934	$ 484,629	$ 394,305	$ 422,102	$ (27,797)	-6.6%
Buildings and Additions	35,651,173	12,567,323	23,083,850	13,030,292	10,053,558	77.2%
Machinery and Equipment	1,707,753	1,029,457	678,296	736,472	(58,176)	-7.9%
Transportation Equipment	1,320,109	812,205	507,904	470,088	37,816	8.0%
Construction in Progress	2,727,578	0	2,727,578	11,943,943	(9,216,365)	-77.2%
Total Capital Assets	$ 42,285,547	$ 14,893,614	$ 27,391,933	$ 26,602,897	$ 789,036	3.0%

A significant reason for the increase in the net capital assets relates to the buildings and additions category. During 2026, the District completed and placed approximately $11.2 million in service for renovations to existing buildings. The building project was started in 2023 and was completed in 2026. The additions of capital assets outpaced the depreciation during the year, resulting in a net increase in capital assets.

In addition to the above, the District committed to various building and land improvement projects. In total the contracted amount for these projects is $2,839,124. As of June 30, 2026, $2,727,577 has been paid and $14,812 has been accrued as retainage, and the District has a remaining commitment of $96,735 which will be expensed from the 2026 Capital Projects Fund in the 2026-2027 fiscal year.

Long-Term Obligations

Overall, the carrying value of the District's long-term obligations decreased by 3.4% from the prior year. See table below for the carrying value of the District's long-term obligations.

Mancelona Public Schools
Outstanding Long-Term Obligations

	2026	2025	Dollar Change	Total Percentage Change
General Obligation Bonds	$ 16,205,000	$ 15,650,000	$ 555,000	3.5%
Compensated Absences	319,371	326,209	(6,838)	-2.1%
	$ 16,524,371	$ 15,976,209	$ 548,162	3.4%

During 2026, the District issued new general obligation bonds of $1,035,000 which caused the increase in general obligation bonds. The District also had scheduled debt payments on existing outstanding obligations. The total amount of principal paid in the current year was $480,000. The primary reason for the decrease in compensated absences is due to the decrease in estimated days used based off of the District updating to a more accurate estimate.

CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS

There are several factors that could significantly affect the financial health of the District in the future.

- Student enrollment remains a significant concern driven by limited affordable housing and employment opportunities in the surrounding area. Enrollment projections remain difficult because of the continued growth of alternative educational options, including charter, online and homeschooling programs.

- The continued delay in the State of Michigan's budget approval process presents challenges for developing timely and accurate financial planning.

- Retirement reforms stay at the forefront of all future financial discussions since state aid is buying down the retirement rate. The District continues to rely on the state's retirement rate buy-down to offset employer retirement costs. Future legislative decisions regarding this funding mechanism could have a significant impact on the District's financial position.

- Ongoing staffing shortages continue to create challenges in recruiting and retaining qualified employees, affecting the District's ability to provide the highest quality educational opportunities and services for students.

- Inflationary pressures continue to increase operating costs across multiple areas, including utilities, transportation, instructional supplies, contracted services, and employee compensation, placing additional demands on the District's financial resources.

Request for Information

This financial report is designed to provide District citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate accountability for the money it receives. Questions relating to this report, or for additional financial information, may be addressed to the Business Manager, Mancelona Public Schools, 112 St. John Street, Mancelona, MI 49659.

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

STATEMENT OF NET POSITION

JUNE 30, 2026

	GOVERNMENTAL ACTIVITIES
ASSETS	
CURRENT ASSETS	
Cash	$ 4,656,739
Accounts Receivable	54,524
Due from Other Governmental Units	1,291,132
Inventory	58,406
Prepaid Expense	10,340
Investments	1,896,102
Restricted Assets - Cash	254,732
Total Current Assets	8,221,975
NONCURRENT ASSETS	
Capital Assets (Net of Accumulated Depreciation)	
Assets Not Being Depreciated	2,846,291
Assets Being Depreciated	24,545,642
Net Other Postemployment Benefits Asset	2,623,953
Total Noncurrent Assets	30,015,886
TOTAL ASSETS	38,237,861
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows Related to Pensions	2,640,462
Deferred Outflows Related to Other Postemployment Benefits	548,225
TOTAL DEFERRED OUTFLOWS OF RESOURCES	3,188,687
LIABILITIES	
CURRENT LIABILITIES	
Accounts Payable	219,740
Accrued Expenses	385,049
Accrued Interest Payable	134,960
Salaries Payable	597,819
Unearned Revenue	468,595
Current Portion of Noncurrent Liabilities	726,048
Total Current Liabilities	2,532,211

The accompanying notes are an integral part of these financial statements.

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

STATEMENT OF NET POSITION

JUNE 30, 2026

	GOVERNMENTAL ACTIVITIES
NONCURRENT LIABILITIES	
Bonds Payable-Net	17,991,669
Compensated Absences	319,371
Net Pension Liability	8,964,829
Less Current Portion of Noncurrent Liabilities	(726,048)
Total Noncurrent Liabilities	26,549,821
TOTAL LIABILITIES	29,082,032
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows Related to Pensions	4,238,512
Deferred Inflows Related to Other Postemployment Benefits	2,328,614
TOTAL DEFERRED INFLOWS OF RESOURCES	6,567,126
NET POSITION	
Net Investment in Capital Assets	9,654,996
Restricted for:	
Capital Projects	260,659
Debt Service	35,575
Food Service	276,971
Net Other Postemployment Benefits Asset	2,623,953
Unrestricted - (Deficit)	(7,074,764)
TOTAL NET POSITION	$ 5,777,390

The accompanying notes are an integral part of these financial statements.

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2026

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	PROGRAM REVENUES: CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES: NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
GOVERNMENTAL ACTIVITIES					
Instruction	$ 4,627,741	$ 0	$ 1,905,431	$ 0	$ (2,722,310)
Supporting Services	5,247,783	75,635	1,969,039	0	(3,203,109)
Food Service Activities	965,226	80,722	942,186	0	57,682
Custody and Care of Children	464,457	183,327	352,872	0	71,742
Community Services	930	0	930	0	0
Prior Period Adjustments	46,449	0	22,283	0	(24,166)
Interest on Long-Term Debt	700,959	0	0	0	(700,959)
Bond Issuance Costs	33,255	0	0	0	(33,255)
Other Transactions	97,985	0	0	0	(97,985)
Unallocated Depreciation	1,389,571	0	0	0	(1,389,571)
Total Governmental Activities	$ 13,574,356	$ 339,684	$ 5,192,741	$ 0	(8,041,931)
GENERAL REVENUES					
Property Taxes - General Purposes					4,826,795
Property Taxes - Debt Service					1,302,838
Property Taxes - Sinking Fund					183,227
Investment Earnings					248,002
State Sources					3,184,256
Gain on Sale of Capital Assets					4,000
Other					43,455
Total General Revenues					9,792,573
Change in Net Position					1,750,642
NET POSITION - Beginning of Year					4,026,748
NET POSITION - End of Year					$ 5,777,390

The accompanying notes are an integral part of these financial statements.

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

BALANCE SHEET
GOVERNMENTAL FUNDS

JUNE 30, 2026

	GENERAL FUND	LATCHKEY FUND	2023 CAPITAL PROJECTS FUND	2026 CAPITAL PROJECTS FUND	OTHER NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS						
Cash	$ 2,950,043	$ 815,078	$ 0	$ 0	$ 891,618	$ 4,656,739
Accounts Receivable	1,742	2,782	0	0	50,000	54,524
Due from Other Governmental Units	1,202,251	30,174	0	0	58,707	1,291,132
Inventory	47,617	0	0	0	10,789	58,406
Prepaid Expenditures	9,110	1,230	0	0	0	10,340
Investments	1,896,102	0	0	0	0	1,896,102
Restricted Assets - Cash	0	0	0	254,732	0	254,732
TOTAL ASSETS	$ 6,106,865	$ 849,264	$ 0	$ 254,732	$ 1,011,114	$ 8,221,975
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts Payable	$ 141,437	$ 11,103	$ 0	$ 0	$ 67,200	$ 219,740
Accrued Expenditures	385,049	0	0	0	0	385,049
Salaries Payable	596,124	1,695	0	0	0	597,819
Unearned Revenue	468,595	0	0	0	0	468,595
Total Liabilities	1,591,205	12,798	0	0	67,200	1,671,203
FUND BALANCES						
Nonspendable:						
Inventory	47,617	0	0	0	10,789	58,406
Prepaid Expenditures	9,110	1,230	0	0	0	10,340
Restricted for:						
Debt Service	0	0	0	0	170,535	170,535
Capital Projects	0	0	0	254,732	260,659	515,391
Food Service	0	0	0	0	276,971	276,971
Assigned for:						
Custody and Care of Children	0	835,236	0	0	0	835,236
Student Activities	0	0	0	0	224,960	224,960
Subsequent Year's Budget Shortfall	480,084	0	0	0	0	480,084
Unassigned	3,978,849	0	0	0	0	3,978,849
Total Fund Balances	4,515,660	836,466	0	254,732	943,914	6,550,772
TOTAL LIABILITIES AND FUND BALANCES	$ 6,106,865	$ 849,264	$ 0	$ 254,732	$ 1,011,114	$ 8,221,975

The accompanying notes are an integral part of these financial statements.

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

JUNE 30, 2026

Total Governmental Fund Balances		$ 6,550,772
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and are not reported in the funds.		
The cost of the capital assets is	$ 42,285,547	
Accumulated depreciation is	(14,893,614)	27,391,933
Some assets are not current financial resources and therefore are not reported in the funds.		
Net Other Postemployment Benefits Asset		2,623,953
Bond deferred charges, discounts and premiums are expenditures at the modified accrual fund level, but are capitalized and written off over the life of bonds payable at the district-wide full accrual level.		
Bond Discount (Premium)		(1,786,669)
Long-term liabilities are not due and payable in the current period and are not reported in the funds.		
Bonds Payable		(16,205,000)
Compensated Absences		(319,371)
Net Pension Liability		(8,964,829)
Deferred outflows and (inflows) of resources related to pensions and other postemployment benefits are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources - related to pensions		2,640,462
Deferred inflows of resources - related to pensions		(4,238,512)
Deferred outflows of resources - related to other postemployment benefits		548,225
Deferred inflows of resources - related to other postemployment benefits		(2,328,614)
Accrued interest is not included as a liability in governmental funds, it is recorded when paid.		(134,960)
NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 5,777,390

The accompanying notes are an integral part of these financial statements.

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2026

	GENERAL FUND	LATCHKEY FUND	2023 CAPITAL PROJECTS FUND	2026 CAPITAL PROJECTS FUND	OTHER NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES						
Local Sources	$ 5,194,106	$ 203,480	$ 14,382	$ 548	$ 1,796,022	$ 7,208,538
State Sources	6,297,050	347,662	0	0	33,555	6,678,267
Federal Sources	311,866	0	0	0	902,880	1,214,746
Other Transactions	390,521	1,500	0	0	9,788	401,809
Total Revenues	12,193,543	552,642	14,382	548	2,742,245	15,503,360
EXPENDITURES						
Instruction						
Basic Programs	5,292,099	0	0	0	0	5,292,099
Added Needs	1,130,801	0	0	0	0	1,130,801
Supporting Services						
Pupil	612,716	0	0	0	0	612,716
Instructional Staff	469,673	0	0	0	0	469,673
General Administration	412,987	0	0	0	0	412,987
School Administration	915,563	0	0	0	0	915,563
Business	319,945	0	509,217	0	0	829,162
Operation and Maintenance	1,662,877	0	0	0	2,980	1,665,857
Pupil Transportation Services	692,874	0	0	152,281	0	845,155
Central Support Services	261,902	0	0	0	0	261,902
Other Support Services	378,955	0	0	0	213,903	592,858
Food Service Activities	0	0	0	0	970,684	970,684
Custody and Care of Children	0	480,167	0	0	0	480,167
Community Services	930	0	0	0	0	930
Facilities Acquisition, Construction, and Improvements	1,000	0	961,782	595,280	449,484	2,007,546
Prior Period Adjustments	46,449	0	0	0	0	46,449
Debt Service						
Principal	0	0	0	0	480,000	480,000
Interest	0	0	0	0	785,750	785,750
Bond Issuance Costs	0	0	0	33,255	0	33,255
Other Transactions	17,653	0	0	0	80,332	97,985
Total Expenditures	12,216,424	480,167	1,470,999	780,816	2,983,133	17,931,539
Excess (Deficiency) of Revenues Over Expenditures	(22,881)	72,475	(1,456,617)	(780,268)	(240,888)	(2,428,179)
OTHER FINANCING SOURCES (USES)						
Proceeds from the Sale of Capital Assets	8,801	0	0	0	0	8,801
Face Value of Debt	0	0	0	1,035,000	0	1,035,000
Transfers In	0	0	0	0	314	314
Transfers (Out)	0	0	(314)	0	0	(314)
Total Other Financing Sources (Uses)	8,801	0	(314)	1,035,000	314	1,043,801
Net Change in Fund Balance	(14,080)	72,475	(1,456,931)	254,732	(240,574)	(1,384,378)
FUND BALANCE - Beginning of Year, as Previously Presented	4,529,740	0	1,456,931	0	1,948,479	7,935,150
Adjustments to Beginning Fund Balance	0	763,991	0	0	(763,991)	0
Beginning of Year, as Restated	4,529,740	763,991	1,456,931	0	1,184,488	7,935,150
FUND BALANCE - End of Year	$ 4,515,660	$ 836,466	$ 0	$ 254,732	$ 943,914	$ 6,550,772

The accompanying notes are an integral part of these financial statements.

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2026

Net Change in Fund Balances-Total Governmental Funds	$	(1,384,378)
Amounts reported for governmental activities are different because:		
Governmental funds report capital outlays as expenditures. In the Statement of Activities, these allocated over their estimated useful lives as depreciation.		
Depreciation Expense		(1,389,571)
Capital Outlay		2,184,357
Net Cost of Assets Sold		(5,750)
Accrued interest on bonds is recorded in the Statement of Activities when incurred; it is not recorded in governmental funds until it is paid:		
Accrued Interest Payable - End of Year		(134,960)
Accrued Interest Payable - Beginning of Year		130,417
Costs related to issuance of long-term debt and losses on early defeasance of long-term debt are a current expense in governmental funds, but are capitalized and amortized in the Statement of Activities.		
Amortization of Deferred Charges		89,334
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal on long-term debt is an expenditure in the governmental funds, but not in the Statement of Activities (where it is a reduction of liabilities).		
Proceeds from Bonded Debt		(1,035,000)
Repayment of Debt		480,000
Employees Early Retirement and Compensated Absences are reported on the accrual method in the Statement of Activities, and recorded as an expenditure when financial resources are used in the governmental funds.		
Compensated Absences - Beginning of Year		326,209
Compensated Absences - End of Year		(319,371)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Change in Pension Related Items		2,018,242
Change in Other Postemployment Benefit Items		973,475
Restricted revenue reported in the governmental funds that is deferred to offset the deferred outflows related to Section 147c pension contributions subsequent to the measurement date.		
Change in State Aid Funding for Pension		(182,362)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$	1,750,642

The accompanying notes are an integral part of these financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Mancelona Public Schools have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government 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 District's accounting policies are described below.

A. Reporting Entity

The School District ("the District") is located in Antrim and Kalkaska Counties with its administrative offices located in Mancelona, Michigan. The District operates under an elected seven member board of education which has responsibility and control over all activities related to public school education within the District. The District receives funding from local, state, and federal government sources and must comply with all of the requirements of these funding source entities. However, the District is not included in any other governmental reporting entity as defined by generally accepted accounting principles. Board members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations, and the primary accountability for fiscal matters.

B. Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report the information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable. The District does not have any business-type activities or component units.

C. Basis of Presentation – Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from the governmental funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the government's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

The *General Fund* is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

The *Latchkey Fund* is a special revenue fund that accounts for the resources that are assigned to custody and care of children expenditures.

The *2023 Capital Projects Fund* accounts for the acquisition of capital assets or construction of major capital projects.

The *2026 Capital Projects Fund* accounts for the acquisition of capital assets or construction of major capital projects.

Other non-major funds:

The *Special Revenue (School Service) Funds* accounts for revenue sources that are legally restricted to expenditures for specific purposes. The District accounts for its food service and student/school activities in the special revenue funds.

The *Debt Service Funds* account for the resources accumulated and payments made for principal and interest on long-term general obligation debt of government funds. The 2023 Debt Retirement Fund is a nonmajor fund.

The *Capital Projects Funds* account for the acquisition of capital assets or construction of major capital projects. The Sinking Capital Projects Fund and Stadium Capital Projects Fund are nonmajor funds.

During the course of operations the government has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, and expenses. Such estimates primarily

relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

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

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term obligations and acquisitions under capital leases are reported as other financing sources.

Property taxes, state and federal aid and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue resource (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments. The District considers all highly liquid investments (including certificates of deposit) to be cash equivalents.

2. Investments

In accordance with Michigan Compiled Laws, the District is authorized to invest in the following investment vehicles:

a) Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.

b) Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a bank which is a member of the Federal Deposit Insurance Corporation (FDIC) or a savings and loan association which is a member of the Federal Savings and Loan Insurance Corporation (FSLIC) or a credit union which is insured

by the National Credit Union Administration (NCUA), but only if the bank, savings and loan association, or credit union is eligible to be a depository of surplus funds belonging to the State under section 5 or 6 of Act No. 105 of the Public Acts of 1855, as amended, being Section 21.145 and 21.146 of the Michigan Compiled Laws.

c) Commercial paper rated at the time of purchase within the three (3) highest classifications established by not less than two (2) standard rating services and which matures not more than 270 days after the date of purchase.

d) The United States government or federal agency obligations repurchase agreements.

e) Bankers' acceptances of United States banks.

f) Mutual funds composed of investment vehicles, which are legal for direct investment by local units of government in Michigan.

Michigan Compiled Laws allow for collateralization of government deposits, if the assets for pledging are acceptable to the State Treasurer under Section 3 of 1855 PA 105, MCL 21.143, to secure deposits of State surplus funds, securities issued by the Federal Loan Mortgage Corporation, Federal National Mortgage Association, or Government National Mortgage Association.

3. Inventory and Prepaid Items

Inventories are valued at cost using the first-in/first-out method. Inventory consists of supplies held for consumption. Inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenditures in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

4. Capital Assets

Capital assets, which include property and equipment, are reported in the governmental activities column in the district-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Land and construction in progress, if any, are not depreciated. Right to use assets of the District, if any, are amortized using the straight-line method over the shorter of the lease/subscription period or the estimated useful lives. Capital assets of the District are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings, Additions and Land Improvements	20-50
Furniture and Other Equipment	5-15

5. Unearned Revenue

Unearned revenue arises when resources are received by the District before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, revenues is recognized. The District has unearned revenue in the General Fund that is related to state and local grants/donations, with restrictions on how they can be spent, being received but as of the year-end have not been spent.

6. Long-Term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method which approximates the effective interest method over the term of the related obligation.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

7. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net 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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has two items that qualify for reporting in this category. They are the deferred charge on refunding, pension and other postemployment benefits related items reported in the government-wide *Statement of Net Position*. A deferred charge on refunding results from the difference in the carrying value of refunded obligation and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding obligation. A deferred outflow is recognized for pension and other postemployment benefit related items. These amounts are expenses in the plan year in which they apply. Details can be found in footnote 2.E and 2.F.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. The separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets 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 two items that qualify for reporting in this category. They are future resources yet to be recognized in relation to the pension and other postemployment benefit actuarial calculation. These future resources arise from differences in the estimates used by the actuary to calculate the pension and other postemployment benefit liability and the actual results. Details can be found in footnote 2.E and 2.F.

8. Defined Benefit Plans

For purposes of measuring the net pension liability and other postemployment benefit asset, deferred outflows of resources and deferred inflows of resources related to pensions and other postemployment benefits, and pension and other postemployment benefits expense, information about the fiduciary net position of the Michigan Public School Employees' Retirement System (MPSERS) and additions to/deductions from MPSERS fiduciary net position have been determined on the same basis as they are reported by MPSERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

9. Net Position Flow Assumption

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

10. Fund Balance Flow Assumption

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

11. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The governing board is the highest level of decision-making authority for the government that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

12. Restricted Assets

Certain cash and investment resources are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants, and they are maintained in separate bank accounts.

G. Revenues and Expenditures/Expenses

1. State Revenue

The State of Michigan utilizes a foundation grant approach which provides for a specific annual amount of revenue per pupil based on a statewide formula. The Foundation is funded from state and local sources. Revenues from state sources are primarily governed by the School Aid Act and the School Code of Michigan. The Michigan Department of Education administers the allocation of state funds to school districts based on information supplied by the districts. For the year ended June 30, 2026 the foundation allowance was based on pupil membership counts taken in October 2025 and February 2025. For fiscal year ended June 30, 2026, the per pupil foundation allowance was $10,050 for Mancelona Public Schools.

The state portion of the foundation is provided primarily by a state education property tax millage of 6 mills and an allocated portion of state sales and other taxes. The local portion of the foundation is funded primarily by non-homestead property taxes, which may be levied at a rate of up to 18 mills. The State revenue is recognized during the foundation period and is funded through payments from October 2025 to August 2026. Thus, the unpaid portion at June 30th is reported as due from other governmental units.

The District also receives revenue from the state to administer certain categorical education programs. State rules require that revenue earmarked for these programs be used for its specific purpose. Certain governmental funds require an accounting to the state of the expenditures incurred. For categorical funds meeting this requirement, funds received, which are not expended by the close of the fiscal year are recorded as unearned revenue. Other categorical funding is recognized when the appropriation is received.

2. Program Revenues

Amounts reported as program revenue include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, state foundation aid, certain revenue from the intermediate school district and other unrestricted items are not included as program revenue but instead as *general revenues*.

3. Property Taxes

Property taxes levied by the District are collected by various municipalities and periodically remitted to the District. Property taxes are assessed as of January 1, and due July 1. Unpaid taxes become delinquent as of September 14 and are subject to penalties and interest after that date.

For the year ended June 30, 2026, the District levied the following amounts per $1,000 of taxable valuation:

Fund	Mills
General Fund - Non Principal Residence Exemption	18.0000
General Fund - Commercial Personal Property	6.0000
Debt Service Funds - PRE, Non-PRE, Commercial Personal Property	2.7000
Sinking Fund - PRE, Non-PRE, Commercial Personal Property	.3798

4. Compensated Absences

The District recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment. The liability for compensated absences is reported as incurred in the government-wide financial statements. The liability for compensated absences includes salary and related benefits, where applicable.

NOTE 2 – DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Deposits and Investments

As of June 30, 2026, the District had deposits and investments subject to the following risks:

Custodial credit risk – deposits. In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. As of June 30, 2026, the District's bank balance was $5,248,939 and $3,213,585 of that amount was exposed to custodial credit risk because it was uninsured and uncollateralized. The risk is spread amongst the District's funds. Although the District's investment policy does not directly address custodial credit risk, it typically limits its exposure by purchasing insured or registered investments or by controlling who holds the deposits. The carrying value on the books for deposits at the end of the fiscal year was $4,910,471 and petty cash of $1,000.

The cash and cash equivalents and investments referred to above have been reported in either the cash and cash equivalents or investments captions on the financial statements, based upon criteria disclosed in Note 1.

The following summarizes the categorization of these amounts as of June 30, 2026:

	Primary Government
Cash	$ 4,656,739
Investments	1,896,102
Restricted Cash	254,732
	$ 6,807,573

Interest rate risk. In accordance with its investment policy, the District will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by; structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the open market; and, investing operating funds primarily in shorter-term securities, liquid asset funds, money market mutual funds, or similar investment pools and limiting the average maturity in accordance with the District's cash requirements.

	Fair Value	Weighted Average Maturity (Years)
MILAF External Investment Pool - Max	$ 1,896,097	N/A
MILAF External Investment Pool - CMC	5	N/A
	$ 1,896,102	
Portfolio Weighted Average Maturity		N/A

1 Day Maturity Equals 0.0027, One Year Equals 1.000

Credit risk. State law limits investments in commercial paper and corporate bonds to a prime or better rating issued by nationally recognized statistical rating organizations (NRSOs).

Concentration of credit risk. The District will minimize concentration of credit risk, which is the risk of loss attributed to the magnitude of the District's investment in a single issuer, by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized.

	Fair Value	Rating	Rating Agency
MILAF External Investment Pool - Max	$ 1,896,097	AAAm	Standard & Poor's
MILAF External Investment Pool - CMC	5	AAAm	Standard & Poor's
	$ 1,896,102		

Foreign currency risk. The District is not authorized to invest in investments which have this type of risk; therefore, it is not addressed in the investment policy.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District will minimize custodial credit risk, which is the risk of loss due to the failure of the security issuer or backer, by; limiting investments to the types of securities allowed by law; and pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which the District will do business.

Fair Market Value Disclosure - The District is required to disclose amounts within a framework established for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1: Quoted prices in active markets for identical securities.

Level 2: Prices determined using other significant observable inputs. Observable inputs are inputs that other market participants may use in pricing a security. These may include quoted prices from similar activities, interest rates, prepayment speeds, credit risk, and others.

Level 3: Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant unobservable inputs may be used. Unobservable inputs reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The District voluntarily invests certain excess funds in external pooled investment funds which included money market funds. One of the pooled investment funds utilized by the District is the Michigan Investment Liquid Asset Fund (MILAF). MILAF funds are considered external investment pools as defined by the GASB and as such are recorded at amortized cost which approximate fair value. The MILAF (MAX Class) fund requires notification of redemptions prior to 14 days to avoid penalties. These funds are not subject to the fair value disclosures.

	Amortized Cost
MILAF External Investment Pool - Max	$ 1,896,097
MILAF External Investment Pool - CMC	5
	$ 1,896,102

B. Receivables

Receivables as of year-end for the government's individual major funds and nonmajor are as follows:

	General	Latchkey	Nonmajor and Other Funds	Total
Receivables				
Accounts	$ 1,742	$ 2,782	$ 50,000	$ 54,524
Due from Other Governmental Units	1,202,251	30,174	58,707	1,291,132
Total Receivables	$ 1,203,993	$ 32,956	$ 108,707	$ 1,345,656

Amounts due from other governments include amounts due from federal, state, and local sources for various projects and programs.

Because of the District's favorable collection experience, no allowance for doubtful accounts has been recorded.

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also report unearned revenue in connection with resources that have been received, but not year earned. At the end of the current fiscal year, the various components of unavailable and unearned revenue reported in the governmental funds were as follows:

	Unavailable	Unearned
Grant Receipts Received, But Not Yet Utilized	$ 0	$ 468,595

C. Capital Assets

Capital assets activity for the year ended June 30, 2026, was as follows:

	Balance July 1, 2025	Additions	Deletions	Balance June 30, 2026
Capital Assets not Being Depreciated:				
Land	$ 118,713	$ 0	$ 0	$ 118,713
Construction in Progress	11,943,943	1,991,734	11,208,099	2,727,578
Total Capital Assets not Being Depreciated	12,062,656	1,991,734	11,208,099	2,846,291
Capital Assets Being Depreciated				
Land Improvements	760,221	0	0	760,221
Buildings and Additions	24,443,074	11,208,099	0	35,651,173
Machinery and Equipment	1,677,259	40,342	9,848	1,707,753
Transportation Equipment	1,175,828	152,281	8,000	1,320,109
Subtotal	28,056,382	11,400,722	17,848	39,439,256
Less Accumulated Depreciation For:				
Land Improvements	(456,832)	(27,797)	0	(484,629)
Buildings and Additions	(11,412,782)	(1,154,541)	0	(12,567,323)
Machinery and Equipment	(940,787)	(98,518)	9,848	(1,029,457)
Transportation Equipment	(705,740)	(108,715)	2,250	(812,205)
Total Accumulated Depreciation	(13,516,141)	(1,389,571)	12,098	(14,893,614)
Total Capital Assets Being Depreciated, Net	14,540,241	10,011,151	5,750	24,545,642
Capital Assets, Net	$ 26,602,897	$ 12,002,885	$ 11,213,849	$ 27,391,933

Depreciation expense was charged to functions/programs of the District as follows:

Governmental Activities	
Unallocated	$ 1,389,571

D. Pension and Other Postemployment Benefits

Plan Description – The Michigan Public School Employees' Retirement System (MPSERS) (System) is a cost-sharing, multiple employer, state-wide, defined benefit public employee retirement plan governed by the State of Michigan (State) originally created under Public Act 136 of 1945, recodified and currently operating under the provisions of

Public Act 300 of 1980, as amended. Section 25 of this act establishes the Board's authority to promulgate or amend the provisions of the System. MPSERS issues a publicly available Annual Comprehensive Financial Report that can be obtained at www.michigan.gov/orsschools.

The System's pension plan was established by the State to provide retirement, survivor and disability benefits to public school employees. In addition, the System's health plan provides all retirees with the option of receiving health, prescription drug, dental and vision coverage under the Michigan Public School Employees' Retirement Act.

The System is administered by the Office of Retirement Services (ORS) within the Michigan Department of Technology, Management & Budget. The Department Director appoints the Office Director, with whom the general oversight of the System resides. The State of Michigan Investment Board serves as the investment fiduciary and custodian for the System.

Benefits Provided- Overall

Participants are enrolled in one of multiple plans based on date of hire and certain voluntary elections. A summary of the plans offered by MPSERS is as follows:

Plan Name	Plan Type	Plan Status
Basic	Defined Benefit	Closed
Member Investment Plan (MIP)	Defined Benefit	Closed
Pension Plus	Hybrid	Closed
Pension Plus 2	Hybrid	Open
Defined Contribution	Defined Contribution	Open

Benefits Provided – Pension

Benefit provisions of the defined benefit pension plan are established by State statute, which may be amended. Public Act 300 of 1980, as amended, establishes eligibility and benefit provisions for the defined benefit (DB) pension plan. Retirement benefits for DB plan members are determined by final average compensation and years of service. DB members are eligible to receive a monthly benefit when they meet certain age and service requirements. The System also provides disability and survivor benefits to DB plan members.

Prior to Pension reform of 2010 there were two plans commonly referred to as Basic and the Member Investment Plan (MIP). Basic Plan member's contributions range from 0% - 4%. On January 1, 1987, the Member Investment Plan (MIP) was enacted. MIP members enrolled prior to January 1, 1990, contribute at a permanently fixed rate of 3.9% of gross wages. Members first hired January 1, 1990, or later including Pension Plus Plan members, contribute at various graduated permanently fixed contribution rates from 3.0% - 7.0%.

Pension Reform 2010

On May 19, 2010, the Governor signed Public Act 75 of 2010 into law. As a result, any member of the Michigan Public School Employees' Retirement System (MPSERS) who became a member of MPSERS after June 30, 2010, is a Pension Plus member. Pension Plus is a hybrid plan that contains a pension component with an employee contribution (graded, up to 6.4% of salary) and a flexible and transferable defined contribution (DC) tax-deferred investment account that earns an employer match of 50% (up to 1% of salary) on employee contributions. Retirement benefits

for Pension Plus members are determined by final average compensation and years of service. Disability and survivor benefits are available to Pension Plus members.

Pension Reform 2012

On September 4, 2012, the Governor signed Public Act 300 of 2012 into law. The legislation grants all active members who first became a member before July 1, 2010 and who earned service credit in the 12 months ending September 3, 2012, or were on an approved professional services or military leave of absence on September 3, 2012, a voluntary election regarding their pension. Any changes to a member's pension are effective as of the member's *transition date*, which is defined as the first day of the pay period that begins on or after February 1, 2013.

Under the reform, members voluntarily chose to increase, maintain, or stop their contributions to the pension fund.

An amount determined by the member's election of Option 1, 2, 3, or 4 described below:

Option 1 - Members voluntarily elected to increase their contributions to the pension fund as noted below and retain the 1.5% pension factor in their pension formula. The increased contribution would begin as of their transition date and continue until they terminate public school employment.

- Basic plan members: 4% contribution
- Member Investment Plan (MIP)-Fixed, MIP-Graded, and MIP-Plus members: a flat 7% contribution

Option 2 - Members voluntarily elected to increase their contribution to the pension fund as stated in Option 1 and retain the 1.5% pension factor in their pension formula. The increased contribution would begin as of their transition date and continue until they reach 30 years of service. If and when they reach 30 years of service, their contribution rates will return to the previous level in place as of the day before their transient date (0% for Basic plan members, 3.9% for MIP-Fixed, up to 4.3% for MIP-Graded, or up to 6.4% for MIP-Plus). The pension formula for any service thereafter would include a 1.25% pension factor.

Option 3 - Members voluntarily elected not to increase their contribution to the pension fund and maintain their current level of contribution to the pension fund. The pension formula for their years of service as of the day before their transition date will include a 1.5% pension factor. The pension formula for any service thereafter will include a 1.25% pension factor.

Option 4 - Members voluntarily elected to no longer contribute to the pension fund and therefore are switched to the Defined Contribution plan for future service as of their transition date. As a DC participant they receive a 4% employer contribution to the tax-deferred 401(k) account and can choose to contribute up to the maximum amounts permitted by the IRS to a 457 account. They vest in employer contributions and related earnings in their 401(k) account based on the following schedule: 50% at 2 years, 75% at 3 years, and 100% at 4 years of service. They are 100% vested in any personal contributions and related earnings in their 457 account. Upon retirement, if they meet age and service requirements (including their total years of service), they would also receive a pension (calculated based on years of service and final average compensation as of the day before their transition date and a 1.5% pension factor).

Members who did not make an election before the deadline defaulted to Option 3 as described above. Deferred or nonvested public school employees on September 3, 2012, who return to public school employment on or after

September 4, 2012, will be considered as if they had elected Option 3 above. Returning members who made the retirement plan election will retain whichever option they chose.

Employees who first work on or after September 4, 2012, and before February 1, 2018 choose between two retirement plans: the Pension Plus Plan and a Defined Contribution Plan that provides a 50% employer match (up to 3% of salary) on employee contributions.

Final Average Compensation (FAC) - Average of highest 60 consecutive months for Basic Plan members and Pension Plus members (36 months for MIP members). FAC is calculated as of the last day worked unless the member elected Option 4, in which case the FAC is calculated at the transition date.

Pension Reform of 2017

On July 13, 2017, the Governor signed Public Act 92 of 2017 into law. The legislation closed the Pension Plus plan to newly hired employees as of February 1, 2018, and created a new, optional Pension Plus 2 plan with similar plan benefit calculations but containing a 50/50 cost share between the employee and the employer, including the cost of future unfunded liabilities. The assumed rate of return on the Pension Plus 2 plan is 6%. Further, under certain adverse actuarial conditions, the Pension Plus 2 plan will close to new employees if the actuarial funded ratio falls below 85% for two consecutive years. The law included other provisions to the retirement eligibility age, plan assumptions, and unfunded liability payment methods.

New employees hired between February 1, 2018 and June 30, 2024, are automatically enrolled as members in the Pension Plus 2 plan as of their date of hire. They have 75 days from the last day of their first pay period, as reported to ORS, to elect to opt out of the Pension Plus 2 plan and become a qualified participant to the DC plan; if no election is made, they will default to the DC plan. If they elect to opt out of the Pension Plus 2 plan, their participation in the DC plan will be retroactive to their date of hire.

Pension Reform of 2023

On November 29, 2023, the Governor signed Public Act 250 of 2023 into law. New employees hired after June 30, 2024, are automatically enrolled as members in the Pension Plus 2 plan as of their date of hire. They have 75 days from the last day of their first pay period, as reported to ORS, to elect to opt out of the Pension Plus 2 plan and become a qualified participant in the DC plan; if no election is made, they will remain in the Pension Plus 2 plan. If they elect to opt out of the Pension Plus 2 plan, their participation in the DC plan will be retroactive to their date of hire.

Benefits Provided – Other Postemployment Benefit (OPEB)

Benefit provisions of the postemployment healthcare plan are established by State statute, which may be amended. Public Act 300 of 1980, as amended, establishes eligibility and benefit provisions. Retirees have the option of health coverage, which, through 2012, was funded on a cash disbursement basis. Beginning fiscal year 2013, it is funded on a prefunded basis. The System has contracted to provide the comprehensive group medical, prescription drug, dental and vision coverage for retirees and beneficiaries. A subsidized portion of the premium is paid by the System with the balance deducted from the monthly pension of each retiree health care recipient. For members who first worked before July 1, 2008, (Basic, MIP-Fixed, and MIP-Graded plan members), the subsidy is the maximum allowed by statute. To limit future liabilities of Other Postemployment Benefits, members who first worked on or after July 1, 2008, (MIP-Plus plan members), have a graded premium subsidy based on career length where they accrue credit towards their insurance premiums in retirement, not to exceed the maximum allowable by statute. Public Act 300 of

2012 sets the maximum subsidy at 80% beginning January 1, 2013; 90% for those Medicare eligible and enrolled in the insurances as of that date.

Retiree Healthcare Reform of 2012

Public Act 300 of 2012 granted all active members of the Michigan Public School Employees Retirement System, who earned service credit in the 12 months ending September 3, 2012, or were on an approved professional services or military leave of absence on September 3, 2012, a voluntary election regarding their retirement healthcare. Any changes to a member's healthcare benefit are effective as of the member's *transition date*, which is defined as the first day of the pay period that begins on or after February 1, 2013.

Under Public Act 300 of 2012, members were given the choice between continuing the 3% contribution to retiree healthcare and keeping the premium subsidy benefit described above or choosing not to pay the 3% contribution and instead opting out of the subsidy benefit and becoming a participant in the Personal Healthcare Fund (PHF), a portable, tax-deferred fund that can be used to pay healthcare expenses in retirement. Participants in the PHF are automatically enrolled in a 2% employee contribution into their 457 account as of their transition date, earning them a 2% employer match into a 401(k) account. Members who selected this option stop paying the 3% contribution to retiree healthcare as of the day before their transition date, and their prior contributions will be deposited into their 401(k) accounts.

Regular Retirement (no reduction factor for age)

Eligibility - A Basic plan member may retire at age 55 with 30 years credited service; or age 60 with 10 years credited service. For Member Investment Plan (MIP) members, age 46 with 30 years credited service; or age 60 with 10 years credited service; or age 60 with 5 school fiscal years immediately preceding the retirement effective date of credited service provided member worked through their 60th birthday and has credited service in each of the last 5 years. For Pension Plus Plan (PPP) members, age 60 with 10 years of credited service.

Annual Amount - The annual pension is paid monthly for the lifetime of a retiree. The calculation of a member's pension is determined by their pension election under PA 300 of 2012.

Member Contributions

Depending on the plan selected, member contributions range from 0% to 7% for pension and 0% to 3% for other postemployment benefits. Plan members electing the defined contribution plan are not required to make additional contributions.

Employer Contributions

Employers are required by Public Act 300 of 1980, as amended, to contribute amounts necessary to finance the coverage of pension benefits and OPEB. Contribution provisions are specified by State statute and may be amended only by action of the State Legislature.

Employer contributions to the System are determined on an actuarial basis using the entry age normal actuarial cost method. Under this method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated on a level basis over the service of the individual between entry age and assumed exit age. The normal cost is the annual cost assigned under the actuarial funding method, to the current and subsequent plan years. The remainder is called the actuarial accrued liability. Normal cost is funded on a current basis.

Pension and OPEB contributions made in the fiscal year ending September 30, 2025, were determined as of the September 30, 2022, actuarial valuations. The pension and OPEB benefits, the unfunded (overfunded) actuarial accrued liabilities (UAAL) as of September 30, 2022, are amortized over a 14-year period beginning October 1, 2024, and ending September 30, 2038.

School districts' contributions are determined based on employee elections. There are several different benefit options included in the plan available to employees based on date of hire. Contribution rates are adjusted annually by the ORS. The range of rates is as follows:

	Pension	Other Postemployment Benefit
October 1, 2025 - September 30, 2026	15.21% - 26.08%	0.00% - 3.83%
October 1, 2024 - September 30, 2025	20.96% - 30.11%	0.00% - 1.25%

The District's pension contributions for the year ended June 30, 2026, were equal to the required contribution total. Total pension contributions were approximately $1,982,000. Of the total pension contributions approximately $1,912,000 was contributed to fund the Defined Benefit Plan and approximately $70,000 was contributed to fund the Defined Contribution Plan.

The District's OPEB contributions for the year ended June 30, 2026 were equal to the required contribution total. Total OPEB benefits were approximately $159,000. Of the total OPEB contributions approximately $110,000 was contributed to fund the Defined Benefit Plan and approximately $49,000 was contributed to fund the Defined Contributions Plan.

These amounts, for both pension and OPEB benefit, include contributions funded from State Revenue Section 147c restricted to fund the MPSERS Unfunded Actuarial Accrued Liability (UAAL) Stabilization Rate (100% for pension and 0% for OPEB).

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

Pension Liabilities

At June 30, 2026, the District reported a liability of $8,964,829 for its proportionate share of the net pension liability. The net pension liability was measured as of September 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation date of September 30, 2024, and rolled-forward using generally accepted actuarial procedures. The District's proportion of the net pension liability was based on a projection of its long-term share of contributions to the pension plan relative to the projected contributions of all participating reporting units, actuarially determined. At September 30, 2025 and 2024, the District's proportion was 0.04475033% and 0.04792629%.

MPSERS (Plan) Non-University Employers Net Pension Liability

	September 30, 2025	September 30, 2024
Total Pension Liability	$ 97,436,103,863	$ 95,765,499,515
Fiduciary Net Position	(77,403,114,236)	(71,283,482,728)
Net Pension Liability	$ 20,032,989,627	$ 24,482,016,787
Fiduciary Net Position as a Percentage of Total Pension liability	79.44%	74.44%
Net Pension Liability as a Percentage of Covered Payroll	181.01%	227.56%

Pension Expense and Deferred Inflows and Outflows of Resources Related to Pensions

For the year ended June 30, 2026, the District recognized total pension expense of $25,998.

At June 30, 2026, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 347,234	$ 79,849
Section 147c revenue related to District Pension contributions subsequent to the measurement date	0	712,389
Changes of assumptions	321,773	473,813
Net difference between projected and actual pension plan investment earnings	0	2,142,402
Changes in proportion and differences between District contributions and proportionate share of contributions	205,359	830,059
District contributions subsequent to the measurement date	1,766,096	0
Total	$ 2,640,462	$ 4,238,512

$1,766,096 reported as deferred outflows of resources and $712,389 reported as deferred inflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a net reduction of the net pension liability in the subsequent fiscal year.

Other amounts reported as deferred outflows of resources (+) and deferred inflows of resources (-) related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Amount
2027	$ (351,454)
2028	(1,097,927)
2029	(894,743)
2030	(307,633)
	$ (2,651,757)

F. OPEB Liabilities (Assets), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

OPEB Liabilities (Assets)

At June 30, 2026, the District reported a liability (asset) of ($2,623,953) for its proportionate share of the net OPEB liability (asset). The net OPEB liability (asset) was measured as of September 30, 2025, and the total OPEB liability (asset) used to calculate the net OPEB liability (asset) was determined by an actuarial valuation date of September 30, 2024, and rolled-forward using generally accepted actuarial procedures. The District's proportion of the net OPEB liability (asset) was based on a projection of its long-term share of contributions to the OPEB plan relative to the projected contributions of all participating reporting units, actuarially determined. At September 30, 2025 and 2024, the District's proportion was 0.04316338% and 0.04799772%.

MPSERS (Plan) Non-University Employers Net OPEB Liability

	September 30, 2025	September 30, 2024
Total OPEB Liability	$ 9,360,649,860	$ 9,991,545,923
Plan Fiduciary Net Position	(15,439,767,833)	(14,295,943,589)
Net OPEB Liability (Asset)	$ (6,079,117,973)	$ (4,304,397,666)
Fiduciary Net Position as a Percentage of Total OPEB Liability (Asset)	164.94%	143.08%
Net OPEB Liability (Asset) as a Percentage of Covered Payroll	-54.93%	-40.01%

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

For the year ended June 30, 2026, the District recognized total OPEB benefit of $894,534.

At June 30, 2026, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 0	$ 1,796,482
Changes of assumptions	350,195	27,829
Net difference between projected and actual OPEB plan investment earnings	0	368,723
Changes in proportion and differences between District contributions and proportionate share of contributions	81,973	135,580
District contributions subsequent to the measurement date	116,057	0
Total	$ 548,225	$ 2,328,614

$116,057 reported as deferred outflows of resources related to OPEB resulting from District employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the subsequent fiscal year.

Other amounts reported as deferred outflows of resources (+) and deferred inflows of resources (-) related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	Amount
2027	$ (537,387)
2028	(504,877)
2029	(435,856)
2030	(281,957)
2031	(104,064)
Thereafter	(32,305)
	$ (1,896,446)

G. Actuarial Assumptions

Investment rate of return for Pension – 6.00% a year, compounded annually net of investment and administrative expenses for the MIP, Basic, and Pension Plus, and Pension Plus 2 plan groups.

Investment rate of return for OPEB – 6.00% a year, compounded annually net of investment and administrative expenses.

Salary increases - The rate of pay increase used for individual members is 2.75%. - 11.55%, including wage inflation at 2.75%.

Inflation – 3.0%

Mortality assumptions –

Retirees: PubT-2010 Male and Female Retiree Mortality Tables scaled by 116% for males and 116% for females and adjusted for mortality improvements using projection scale MP-2021 from 2010.

Active: PubT-2010 Male and Female Employee Mortality Tables scaled 100% and adjusted for mortality improvements using projection scale MP-2021 from 2010.

Disabled Retirees: PubNS-2010 Male and Female Disabled Retiree Mortality Tables scaled 100% and adjusted for mortality improvements using projection scale MP-2021 from 2010.

Experience study - Assumption changes as a result of an experience study for the periods 2017 through 2022 have been adopted by the System for use in the determination of the total pension and OPEB liability beginning with the September 30, 2023 valuation.

The long-term expected rate of return on pension and other postemployment benefit plan investments - The pension rate was 6.00% (MIP, Basic, Pension Plus Plan, and Pension Plus 2 Plan) and the other postemployment benefit rate was 6.00%, net of investment and administrative expenses was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension and OPEB 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.

Cost of Living Pension Adjustments – 3.0% annual non-compounded for MIP members.

Healthcare cost trend rate for other postemployment benefit – Pre 65, 7.75% for year one and graded to 3.5% in year fifteen. Post 65, 6.50% for year one and graded to 3.5% in year fifteen.

Additional assumptions for other postemployment benefit only – Applies to individuals hired before September 4, 2012:

Opt Out Assumption – 21% of eligible participants hired before July 1, 2008, and 30% of those hired after June 30, 2008, are assumed to opt out of the retiree health plan.

Survivor Coverage – 80% of male retirees and 67% of female retirees electing two-person coverage are assumed to have coverage continuing after the retiree's death.

Coverage Election at Retirement – 75% of male and 60% of female future retirees who elected coverage are assumed to elect coverage for 1 or more dependents.

The target asset allocation at September 30, 2025 and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

	Target Allocation		
Investment Category	Pension	OPEB	Long-term Expected Real Rate of Return*
Domestic Equity Pools	21.0%	16.0%	5.8%
International Equity Pools	14.0%	11.0%	5.6%
Private Equity Pools	16.0%	16.0%	9.3%
Real Estate and Infrastructure Pools	8.0%	5.0%	7.0%
Fixed Income Pools	15.0%	26.0%	2.5%
Absolute Return Pools	13.0%	15.0%	4.4%
Real Return/Opportunistic Pools	9.0%	7.0%	7.0%
Short Term Investment Pools	4.0%	4.0%	1.3%
	100.0%	100.0%	

* Long term rate of return are net of administrative expenses and 2.4% inflation.

Rate of return

For fiscal year ended September 30, 2025, the annual money-weighted rate of return on pension and OPEB plan investments, net of pension and OPEB plan investment expense, was 9.81% and 9.24% respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Pension Discount Rate

A single discount rate of 6.00% was used to measure the total pension liability. This discount rate was based on the expected rate of return on pension plan investments of 6.00%. The projection of cash flows used to determine this single discount rate was based on the assumption that in the future, plan member contributions will be made at the current contribution rate and that contributions from school districts will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension 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 pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

OPEB Discount Rate

A single discount rate of 6.00% was used to measure the total OPEB liability. This discount rate was based on the long-term expected rate of return on OPEB plan investments of 6.00%. The projection of cash flows used to determine this single discount rate was based on the assumption that in the future, plan member contributions will be made at the current contribution rate and that school districts contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the OPEB 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 OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability calculated using a single discount rate of 6.00%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

Pension		
1% Decrease	Discount Rate	1% Increase
$ 14,146,995	$ 8,964,829	$ 4,648,748

Sensitivity of the District's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate

The following presents the District's proportionate share of the net OPEB liability (asset) calculated using a single discount rate of 6.00%, as well as what the District's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

OPEB		
1% Decrease	Discount Rate	1% Increase
$ (2,260,701)	$ (2,623,953)	$ (2,471,842)

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Healthcare Cost Trend Rates

The following presents the District's proportionate share of the net other postemployment benefit liability (asset) calculated using the healthcare cost trend rate, as well as what the District's proportionate share of the net other postemployment benefit liability (asset) would be if it were calculated using a healthcare cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

OPEB		
	Current Healthcare Cost	
1% Decrease	Trend Rates	1% Increase
$ (2,938,975)	$ (2,623,953)	$ (2,293,189)

H. Pension and OPEB Plan Fiduciary Net Position

Detailed information about the pension and OPEB plan's fiduciary net position is available in the separately issued Michigan Public School Employees Retirement System 2025 Annual Comprehensive Financial Report.

I. Payables to the Pension and OPEB Plan

As of June 30, 2026, the District is current on all required pension and OPEB plan payments. As of June 30, 2026, the District reported payables in the amount of $272,455 to the pension and OPEB plan. These amounts represent current payments for June wages paid in July, accruals for summer pay primarily for teachers and also the contributions due and funded from state revenue Section 147c restricted to fund the MPSERS Unfunded Actuarial Accrued Liability (UAAL).

J. Risk Management

The District is exposed to various risks of loss related to property loss, torts, errors and omissions; injuries to employees' (workers compensation) as well as medical benefits provided to employees.

The District participates in a distinct pool of educational institutions within the State of Michigan for various risks of loss, including general liability, property and casualty, employee health and accident insurance, and workers' disability compensation. The pool is considered a public entity risk pool. The District pays annual premiums to each pool for the respective insurance coverage. In the event a pool's total claims and expenses for a policy year exceed the total normal annual premiums for said years, all members of the specific pool's policy year may be subject to special assessment to make up the deficiency The pool maintains reinsurance for claims in excess of $500,000 for each occurrence with the overall maximum coverage being unlimited

The District continues to carry commercial insurance for other risks of loss, including general liability, property and casualty and employee health and accident insurance. No settlements have occurred in excess of coverage for June 30, 2026, or any of the prior three years.

K. Long-Term Obligations

The District issues general obligation bonds to provide funds for the acquisition, construction and improvement of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the District.

The following is a summary of the governmental long-term obligation transactions for the District for the year ended June 30, 2026:

	Compensated Absences*	General Obligation Bonds	Net Pension Liability	Total
Balance: July 1, 2025	$ 326,209	$ 15,650,000	$ 11,733,322	$ 27,709,531
Additions	0	1,035,000	1,863,864	2,898,864
Deletions	(6,838)	(480,000)	(4,632,357)	(5,119,195)
Balance: June 30, 2026	319,371	16,205,000	8,964,829	25,489,200
Less current portion	(196,048)	(530,000)	0	(726,048)
Total due after one year	$ 123,323	$ 15,675,000	$ 8,964,829	$ 24,763,152

*The change in the compensated absences liability is presented as a net change.

The annual requirements to amortize the net pension are uncertain because it is unknown when the repayments will be made.

The District's liability obligations at June 30, 2026, are comprised of the following issues:

General Obligation Bonds	
2023 School Building and Site Bonds due in annual installments of $345,000 to $1,020,000 through May 1, 2046, interest at 5.00%	$ 15,170,000
2026 School Building and Site Bonds due in annual installments of $160,000 to $185,000 through May 1, 2032, interest at 3.25% - 3.45%	1,035,000
Compensated Absences	319,371
Net Pension Liability	8,964,829
Total long-term obligations	$ 25,489,200

The annual requirements to amortize all long-term obligations as of June 30, 2026, including interest of $9,421,869 are as follows:

Year ending June 30,	Bonds Principal	Bonds Interest	Amounts Payable
2027	$ 530,000	$ 801,474	$ 1,331,474
2028	560,000	769,925	1,329,925
2029	580,000	744,725	1,324,725
2030	610,000	718,365	1,328,365
2031	640,000	690,670	1,330,670
2032-2036	3,660,000	2,969,210	6,629,210
2037-2041	4,585,000	1,968,500	6,553,500
2042-2046	5,040,000	759,000	5,799,000
	$ 16,205,000	$ 9,421,869	25,626,869
Compensated Absences			319,371
Net Pension Liability			8,964,829
			$ 34,911,069

Interest expense for the year ended June 30, 2026 was approximately $700,959.

The annual requirements to amortize the compensated absences and net pension liability are uncertain because it is unknown when the repayments will be made.

Compensated absences and net pension liability will be paid by the fund in which the employee worked, including the general fund and other governmental funds.

L. Interfund Receivables, Payables and Transfers

The outstanding balances between funds result mainly from the time lag between the dates that (1) Interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. There were no interfund balances outstanding at June 30, 2026.

Individual fund transfers at June 30, 2026, were:

Fund Transferred To	Funds Transferred From	Amount
2023 Debt Retirement Fund	2023 Capital Projects Fund	$ 314

Transfers are used to (1) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them; (2) move receipts restricted to or allowed for debt service from the funds collecting the receipts to the debt service fund as debt service payments become due; and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. There were no interfund transfers during the 2026 fiscal year.

M. Sinking Fund Tax Levy

On May 3, 2022, the taxpayers approved the authorization of a sinking fund tax levy. The District is authorized to levy .3944 mills for 4 years beginning with the 2023 tax roll. The Sinking Fund will be used for the repairs of school buildings. The transactions for the Sinking Fund are accounted for in a capital projects fund. For this fund, the District has complied with the applicable provisions of Section 1212 of the Revised School Code and the State of Michigan Department of Treasury Letter No. 2023-1.

N. Related Party Transactions

The District purchased heating and cooling services from a business owned by a board member's family totaling $17,924 for the year. The District solicited competitive bids when required and in the opinion of management, such transactions were on substantially the same terms as those prevailing at the time of comparable transactions with other persons and did not present any other unfavorable features to the District.

O. Other Information

1. Commitments and Contingencies

Contingencies - Under the terms of various federal and state grants and regulatory requirements, periodic audits are required, and certain cost may be questioned as not being appropriate expenditures under the terms of the grants and requirements. Such audits could lead to reimbursement of the grantor or regulatory agencies. However, management does not believe such disallowances, if any, would be material to the financial position of the District.

Commitments – The District has various contracts related to the reconstruction of the Roof and Bathrooms of the Elementary, Middle School, High School, and Athletic Buildings. In total the contracted amount for these projects is $2,839,124. As of June 30, 2026, $2,727,577 has been paid and $14,812 has been accrued as retainage, and the District has a remaining commitment of $96,735 which will be expensed from the 2026 Capital Projects Fund in the 2026-2027 fiscal year.

2. Capital Projects Fund

The 2026 Capital Projects Fund include capital project activities funded with bonds. For this capital project, the school district has complied with the applicable provisions of Section 1351a of the Revised School Code. The fund is not yet considered substantially complete, and a subsequent year audit is expected.

Beginning with the year of bond issuance, the school district has reported the annual construction activity in the 2023 Capital Projects Fund. The project for which the 2023 School Building and Site Bonds, Series I, were issued was considered complete on June 30, 2026.

The following is a summary of the cumulative revenue, other financing sources (uses), and expenditures for the 2023 Capital Projects Fund activity:

Revenue and other financing sources	$ 19,743,614
Expenditures and other financing uses	$ 19,743,614

The above revenue and other financing sources figure does include the total 2023 bond proceeds and premium of $18,484,005.

3. Single Audit

Current federal guidelines require entities with federal expenditures exceeding $1,000,000 to have a "single audit" of federally funded programs. This audit is being performed and the reports based thereon will be issued under a separate cover.

P. GASB Statement No. 77 – Tax Abatement Disclosures

It has been determined that the District has granted tax abatements as defined by GASB Statement No. 77. However, the total of these abatements is less than $1,000, and it has been determined they are not significant enough to warrant disclosure.

NOTE 3 – CHANGES IN ACCOUNTING PRINCIPLE

For the year ended June 30, 2026, the District implemented the following GASB standards:

GASB Statement No. 103, *Financial Reporting Model Improvements.* The Standard addressed the following areas:

a. Management's discussion and analysis (MD&A)

b. Unusual or infrequent items

c. Presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position;

d. Information about major component units in basic financial statements should be presented separately in the statement of net position and statement of activities unless it reduces the readability of the statements in which case combining statements should be presented after the fund financial statements;

e. Budgetary comparison information should include variances between original and final budget amounts and variances between final budget and actual amounts with explanations of significant variances required to be presented in the notes to RSI.

NOTE 4 - ADJUSTMENTS TO BEGINNING FUND BALANCES/NET POSITION

During fiscal year 2026, changes to beginning fund balance are as follows:

	Reporting Units Affected by Adjustments to and Restatements of Beginning Balances					
	General Fund	Latchkey Fund	2023 Capital Projects	2026 Capital Projects	Nonmajor Governmental Funds	Governmental Activities
Fund balance, as previously reported	$ 4,529,740	$ 0	$ 1,456,931	$ 0	$ 1,948,479	$ 7,935,150
Change from nonmajor to major fund	0	763,991	0	0	(763,991)	0
Fund balance, as restated	$ 4,529,740	$ 763,991	$ 1,456,931	$ 0	$ 1,184,488	$ 7,935,150

NOTE 5 – UPCOMING ACCOUNTING PRONOUNCEMENTS

In December 2025, the GASB issued Statement No. 105, *Subsequent Events*. This Statement clarifies the subsequent events that constitute recognized and nonrecognized events and establishes specific note disclosure requirements for nonrecognized events. The District is currently evaluating the impact this standard will have on the financial statements when adopted during the 2026-2027 fiscal year.

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

YEAR ENDED JUNE 30, 2026

	ORIGINAL BUDGET	FINAL BUDGET	VARIANCE WITH ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET AND ACTUAL
REVENUES					
Local Sources	$ 5,146,004	$ 5,192,911	$ 46,907	$ 5,194,106	$ 1,195
State Sources	6,242,805	6,975,881	733,076	6,297,050	(678,831)
Federal Sources	296,520	416,532	120,012	311,866	(104,666)
Other Transactions	411,952	388,130	(23,822)	390,521	2,391
Total Revenues	12,097,281	12,973,454	876,173	12,193,543	(779,911)
EXPENDITURES					
Instruction					
Basic Programs	5,258,922	5,411,446	152,524	5,292,099	(119,347)
Added Needs	1,334,902	1,217,238	(117,664)	1,130,801	(86,437)
Supporting Services					
Pupil	798,297	1,057,742	259,445	612,716	(445,026)
Instructional Staff	395,812	508,918	113,106	469,673	(39,245)
General Administration	426,900	416,895	(10,005)	412,987	(3,908)
School Administration	768,360	921,088	152,728	915,563	(5,525)
Business	306,592	321,007	14,415	319,945	(1,062)
Operation and Maintenance	1,526,551	1,669,328	142,777	1,662,877	(6,451)
Pupil Transportation Services	759,456	700,707	(58,749)	692,874	(7,833)
Central Support Services	233,017	272,791	39,774	261,902	(10,889)
Other Support Services	261,704	383,535	121,831	378,955	(4,580)
Community Services	503	2,000	1,497	930	(1,070)
Facilities Acquisition, Construction, and Improvements	0	45,997	45,997	1,000	(44,997)
Prior Period Adjustments	50,000	52,000	2,000	46,449	(5,551)
Other Transactions	21,000	19,480	(1,520)	17,653	(1,827)
Total Expenditures	12,142,016	13,000,172	858,156	12,216,424	(783,748)
Excess (Deficiency) of Revenues Over Expenditures	(44,735)	(26,718)	18,017	(22,881)	3,837
OTHER FINANCING SOURCES (USES)					
Proceeds from the Sale of Capital Assets	0	8,801	8,801	8,801	0
Net Change in Fund Balance	(44,735)	(17,917)	26,818	(14,080)	3,837
FUND BALANCE - Beginning of Year	4,444,838	4,529,740	84,902	4,529,740	0
FUND BALANCE - End of Year	$ 4,400,103	$ 4,511,823	$ 111,720	$ 4,515,660	$ 3,837

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
LATCHKEY FUND

YEAR ENDED JUNE 30, 2026

	ORIGINAL BUDGET	FINAL BUDGET	VARIANCE WITH ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET AND ACTUAL
REVENUES					
Local Sources	$ 137,000	$ 195,976	$ 58,976	$ 203,480	$ 7,504
State Sources	235,000	355,000	120,000	347,662	(7,338)
Other Transactions	0	1,500	1,500	1,500	0
Total Revenues	372,000	552,476	180,476	552,642	166
EXPENDITURES					
Custody and Care of Children	418,075	491,075	73,000	480,167	(10,908)
Excess (Deficiency) of Revenues Over Expenditures	(46,075)	61,401	107,476	72,475	11,074
FUND BALANCE - Beginning of Year	738,539	763,991	25,452	763,991	0
FUND BALANCE - End of Year	$ 692,464	$ 825,392	$ 132,928	$ 836,466	$ 11,074

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM
LAST 10 FISCAL YEARS (AMOUNTS WERE DETERMINED AS OF 9/30 OF EACH FISCAL YEAR)
JUNE 30, 2026

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's proportion of net pension liability (%)	0.044750%	0.047926%	0.046757%	0.047182%	0.050110%	0.051830%	0.051967%	0.050788%	0.049856%	0.050365%
District's proportionate share of net pension liability	$ 8,964,829	$ 11,733,322	$ 15,133,269	$ 17,744,429	$ 11,863,863	$ 17,804,134	$ 17,209,621	$ 15,267,793	$ 12,919,687	$ 12,565,566
District's covered payroll	4,825,086	5,080,926	4,791,638	4,392,330	4,417,910	4,549,222	4,540,029	4,402,746	4,142,373	4,283,595
District's proportionate share of net pension liability as a percentage of its covered payroll	185.80%	230.93%	315.83%	403.99%	268.54%	391.37%	379.06%	346.78%	311.89%	293.34%
Plan fiduciary net position as a percentage of total pension liability	79.44%	74.44%	65.91%	60.77%	72.60%	59.72%	60.31%	62.36%	64.21%	63.27%

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION CONTRIBUTIONS
MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM
LAST 10 FISCAL YEARS (AMOUNTS WERE DETERMINED AS OF 6/30 OF EACH FISCAL YEAR)
JUNE 30, 2026

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Statutorily required contributions	$ 1,911,777	$ 1,809,986	$ 2,002,414	$ 2,145,240	$ 1,642,035	$ 1,517,506	$ 1,423,737	$ 1,379,115	$ 1,287,336	$ 1,165,394
Contributions in relation to statutorily required contributions	1,911,777	1,809,986	2,002,414	2,145,240	1,642,035	1,517,506	1,423,737	1,379,115	1,287,336	1,165,394
Contribution deficiency (excess)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Covered payroll	$ 5,106,817	$ 4,864,428	$ 5,058,696	$ 4,847,304	$ 4,511,197	$ 4,433,938	$ 4,544,756	$ 4,524,305	$ 4,360,947	$ 4,134,275
Contributions as a percentage of covered payroll	37.44%	37.21%	39.58%	44.26%	36.40%	34.22%	31.33%	30.48%	29.52%	28.19%

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OTHER POSTEMPLOYMENT BENEFIT LIABILITY (ASSET)
MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM
LAST 10 FISCAL YEARS (AMOUNTS WERE DETERMINED AS OF 9/30 OF EACH PLAN YEAR)
JUNE 30, 2026

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
District's proportion of net OPEB liability (asset) (%)		0.04316338%	0.04799772%	0.04794792%	0.04492730%	0.04894509%	0.05137416%	0.05201864%	0.05169762%	0.04975682%
District's proportionate share of net OPEB liability (asset)		$ (2,623,953)	$ (2,066,013)	$ (271,241)	$ 951,588	$ 747,087	$ 2,752,251	$ 3,733,767	$ 4,109,419	$ 4,406,201
District's covered payroll		4,825,086	5,080,926	4,791,638	4,392,330	4,417,910	4,549,222	4,540,029	4,402,746	4,142,373
District's proportionate share of net OPEB liability (asset) as a percentage of its covered payroll		-54.38%	-40.66%	-5.66%	21.66%	16.91%	60.50%	82.24%	93.34%	106.37%
Plan fiduciary net position as a percentage of total OPEB liability (asset)		164.94%	143.08%	105.04%	83.09%	87.33%	59.44%	48.46%	42.95%	36.39%

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF OTHER POSTEMPLOYMENT BENEFIT CONTRIBUTIONS
MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM
LAST 10 FISCAL YEARS (AMOUNTS WERE DETERMINED AS OF 6/30 OF EACH FISCAL YEAR)
JUNE 30, 2026

	2027	2026	2025	2024	2023	2022	2021	2020	2019	2018
Statutorily required contributions		$ 110,425	$ 109,263	$ 375,662	$ 359,991	$ 345,856	$ 352,047	$ 352,457	$ 345,140	$ 312,961
Contributions in relation to statutorily required contributions		110,425	109,263	375,662	359,991	345,856	352,047	352,457	345,140	312,961
Contribution deficiency (excess)		$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Covered payroll		$ 5,106,817	$ 4,864,428	$ 5,058,696	$ 4,847,304	$ 4,511,197	$ 4,433,938	$ 4,544,756	$ 4,524,305	$ 4,360,947
Contributions as a percentage of covered payroll		2.16%	2.25%	7.43%	7.43%	7.67%	7.94%	7.76%	7.63%	7.18%

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR YEAR ENDED JUNE 30, 2026

NOTE 1 - Budgetary Basis of Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund and special revenue funds. Other funds do not have appropriated budgets.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executor) contracts for goods or services (i.e., purchase orders, contracts, and commitments). The District does not utilize encumbrance accounting.

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

a. The Superintendent submits to the School Board a proposed operating budget for the fiscal year commencing on July 1. The operating budget includes proposed expenditures and the means of financing them. The level of control for the budgets is at the functional level as set forth and presented as required supplementary information.

b. Public hearings are conducted to obtain taxpayer comments.

c. Prior to July 1, the budget is legally adopted by School Board resolution pursuant to the Uniform Budgeting and Accounting Act (1968 PA 2). The Act requires that the budget be amended prior to the end of the fiscal year when necessary to adjust appropriations if it appears that revenues and other financing sources will be less than anticipated or so that expenditures will not be in excess of original estimates. Expenditures shall not be made or incurred, unless authorized in the budget, in excess of the amount appropriated. Violations, if any, in the general fund are noted in the required supplementary information section.

d. Transfers may be made for budgeted amounts between major expenditure functions within any fund; however, these transfers and any revisions that alter the total expenditures of any fund must be approved by the School Board.

e. The final budget was approved prior to June 30, 2026 year-end.

NOTE 2 - BUDGETARY COMPARISON

Significant variances between original and final budget:

	Variance	Explanation
GENERAL FUND		
REVENUES		
State Sources	$ 733,076	When the original budget was adopted, the District anticipated 10 less students and $50 less per pupil. $844,000 of the final budget increase is due to new grants, carryover funds and increased allocations (inc 27L that was not in the original budget).
Federal Sources	120,012	The final federal Title grant allocations were higher than initially budgeted. The District received a new federal grant, Filter First. Also Medicaid funding was higher than anticipated.
EXPENDITURES		
Instruction - Basic Programs	152,524	The District budgeted for an increase to teachers' salaries of 3%, but settled at a $2,750 per employee which ranged from 4-6%.
Instruction - Added Needs	(117,664)	The District was unable to fill special education vacancies.
Supporting Services - Pupil	259,445	The District includes grant carryover budgets with its subsequent amendments.
Supporting Services - Instructional Staff	113,106	The District includes grant carryover budgets with its subsequent amendments.
Supporting Services - School Administration	152,728	Retirement announcement of principal during course of 25/26 school year with retirement payout. New assistant from counseling office.
Supporting Services - Operation and Maintenance	142,777	Increased raises and hiring of student maintenance workers were not initially budgeted for. A retirement payout was included in the amendment. Higher contracted snowplow and custodial services were also recognized with the final budget amendment.
Supporting Services - Pupil Transportation	(58,749)	The District decreased its bus routes so did not replace a 24/25 resignation.
Supporting Services - Other Support Services	121,831	The District was awarded a large robotics grant after the initial budget. Athletic wages and contracted officials also increased.

	Variance	Explanation
LATCHKEY FUND		
REVENUES		
Local Sources	$ 58,976	The District Latchkey program's enrollment has an increased enrollment of approximately 20 children. The program received a local grant for employee wage stipends.
State Sources	120,000	State revenue from DHHS increased from the original budget because of an increased quality rating which reimburses at a higher rate for childcare. The district enrolled more DHHS eligible students during the fiscal year.
EXPENDITURES		
Custody and Care of Children	73,000	The program paid more in wages and contracted wages due to rate increases and a stipend program through Networks Northwest.

Significant variances between final budget and actual:

	Variance	Explanation
GENERAL FUND		
REVENUES		
State Sources	$ (678,831)	The District has not spent the full allocations for At Risk and GSRP which resulted in $653,000 less revenue that is considered unearned.
Federal Sources	(104,666)	The District has not spent the full allocations of federal grants.
EXPENDITURES		
Instruction - Basic Programs	(119,347)	The District has not spent the full allocations for At Risk and GSRP
Instruction - Added Needs	(86,437)	The District was unable to fill a vacancy for a Title I Intervention teacher.
Supporting Services - Pupil	(445,026)	The District has not spent the full allocations for At Risk and GSRP

	Variance	Explanation
LATCHKEY FUND		
REVENUES		
Local Sources	$ 7,504	The local revenue was higher than budgeted due to a higher number of cash payment summer enrollments.
State Sources	(7,338)	The actual received was slightly lower than expected due to varying summer schedules of children who are eligible for DHHS reimbursement.
EXPENDITURES		
Custody and Care of Children	(10,908)	The June contracted wages were less than anticipated due to less staffing needs based on a summer enrollment schedule.

NOTE 2 – Pension Information

Changes of Benefit Terms - There were no changes of benefit terms for the plan year ended September 30.

Changes of Assumptions – There were no significant changes of benefit assumptions for each of the reported plan years ended September 30 except for the following:

- 2023 - The valuation includes the impact of an updated experience study for periods from 2017 to 2022.
- 2022 - The discount rate and investment rate of return used in the September 30, 2021 actuarial valuation decreased by 0.80 percentage points.
- 2019 - The discount rate used in the September 30, 2018 actuarial valuation decreased by 0.25 percentage points.
- 2018 - The discount rate used in the September 30, 2017 actuarial valuation decreased by 0.45 percentage points. The valuation also includes the impact of an updated experience study for periods from 2012 to 2017.
- 2017 - The discount rate used in the September 30, 2016 actuarial valuation decreased by 0.50 percentage points.

OPEB Information

Changes of Benefit Terms - There were no changes of benefit terms for the plan year ended September 30.

Changes of Assumptions – There were no significant changes of benefit assumptions for each of the reported plan years ended September 30 except for the following:

- 2025 - The health care cost trend rate used in the September 30, 2024, actuarial valuation increased by 0.50 percentage points for members under 65. This increased the plan's total OPEB liability by $267 million in 2025.
- 2024 - The health care cost trend rate used in the September 30, 2023 actuarial valuation decreased by 0.25 percentage points for members under 65 and increased by 0.25 percentage point for members over 65.

- 2023 - The health care cost trend rate used in the September 30, 2022 actuarial valuation decreased by 0.25 percentage points for members under 65 and increased by 1.00 percentage point for members over 65. In addition, actual per person health benefit costs were lower than projected. The valuation includes the impact of an updated experience study for periods from 2017 to 2022.

- 2022 - The discount rate and investment rate of return used in the September 30, 2021 actuarial valuation decreased by 0.95 percentage points. This resulted in lower than projected per person health benefit costs to reduce the plan's total OPEB liability by an additional $1.1 billion in 2022.

- 2021 - The health care cost trend rate used in the September 30, 2020 actuarial valuation increased by 0.75 percentage points for members under 65 and decreased by 1.75 percentage points for members over 65. In addition, actual per person health benefit costs were lower than projected. This reduced the plan's total OPEB liability by $1.3 billion in 2021.

- 2020 - The health care cost trend rate used in the September 30, 2019 actuarial valuation decreased by 0.50 percentage points and actual per person health benefit costs were lower than projected. This reduced the plan's total OPEB liability by $1.8 billion in 2020.

- 2019 - The discount rate used in the September 30, 2018 actuarial valuation decreased by 0.20 percentage points. The valuation also includes the impact of an updated experience study for periods from 2012 to 2017. This resulted in lower than projected per person health benefit costs to reduce the plan's total OPEB liability by an additional $1.4 billion in 2019.

- 2018 - The discount rate used in the September 30, 2017 actuarial valuation decreased by 0.35 percentage points. The valuation also includes the impact of an updated experience study for periods from 2012 to 2017. This resulted in lower than projected per person health benefit costs to reduce the plan's total OPEB liability by $1.4 billion in 2018.

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUND TYPES

JUNE 30, 2026

	SPECIAL REVENUE FUNDS		DEBT SERVICE FUND	CAPITAL PROJECTS FUNDS		TOTAL NONMAJOR GOVERNMENTAL FUNDS
	FOOD SERVICE	SCHOOL ACTIVITIES	2023 DEBT RETIREMENT	SINKING	STADIUM	
ASSETS						
Cash	$ 220,652	$ 224,960	$ 170,535	$ 254,695	$ 20,776	$ 891,618
Accounts Receivable	50,000	0	0	0	0	50,000
Due from Other Governmental Units	58,707	0	0	0	0	58,707
Inventory	10,789	0	0	0	0	10,789
TOTAL ASSETS	$ 340,148	$ 224,960	$ 170,535	$ 254,695	$ 20,776	$ 1,011,114
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts Payable	$ 52,388	$ 0	$ 0	$ 14,812	$ 0	$ 67,200
FUND BALANCE						
Nonspendable, Inventory	10,789	0	0	0	0	10,789
Restricted for Debt Retirement	0	0	170,535	0	0	170,535
Restricted for Capital Projects	0	0	0	239,883	20,776	260,659
Restricted for Food Service	276,971	0	0	0	0	276,971
Assigned for Student Activities	0	224,960	0	0	0	224,960
Total Fund Balances	287,760	224,960	170,535	239,883	20,776	943,914
TOTAL LIABILITIES AND FUND BALANCES	$ 340,148	$ 224,960	$ 170,535	$ 254,695	$ 20,776	$ 1,011,114

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUND TYPES

YEAR ENDED JUNE 30, 2026

	SPECIAL REVENUE FUNDS			DEBT SERVICE FUND	CAPITAL PROJECTS FUND		TOTAL NONMAJOR GOVERNMENTAL FUNDS
	FOOD SERVICE	LATCHKEY	SCHOOL ACTIVITIES	2023 DEBT RETIREMENT	SINKING	STADIUM	
REVENUES							
Local Sources	$ 81,952	$ 0	$ 217,067	$ 1,310,829	$ 186,139	$ 35	$ 1,796,022
State Sources	29,518	0	0	3,537	500	0	33,555
Federal Sources	902,880	0	0	0	0	0	902,880
Other Transactions	9,788	0	0	0	0	0	9,788
Total Revenues	1,024,138	0	217,067	1,314,366	186,639	35	2,742,245
EXPENDITURES							
Supporting Services							
Operation and Maintenance	0	0	0	0	2,980	0	2,980
Other Support Services	0	0	213,903	0	0	0	213,903
Food Service Activities	970,684	0	0	0	0	0	970,684
Facilities Acquisition, Construction, and Improvements	0	0	0	0	449,484	0	449,484
Debt Service							
Redemption of Principal	0	0	0	480,000	0	0	480,000
Interest and Fees	0	0	0	785,750	0	0	785,750
Other Transactions	0	0	0	70,917	9,415	0	80,332
Total Expenditures	970,684	0	213,903	1,336,667	461,879	0	2,983,133
Excess of Revenues Over (Under) Expenditures	53,454	0	3,164	(22,301)	(275,240)	35	(240,888)
OTHER FINANCING SOURCES (USES)							
Transfers In	0	0	0	314	0	0	314
Net Change in Fund Balance	53,454	0	3,164	(21,987)	(275,240)	35	(240,574)
FUND BALANCE - Beginning of Year, as Previously Presented	234,306	763,991	221,796	192,522	515,123	20,741	1,948,479
Adjustments to Beginning Fund Balance	0	(763,991)	0	0	0	0	(763,991)
Beginning of Year, as Restated	234,306	0	221,796	192,522	515,123	20,741	1,184,488
FUND BALANCE - End of Year	$ 287,760	$ 0	$ 224,960	$ 170,535	$ 239,883	$ 20,776	$ 943,914

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

GENERAL FUND
COMPARATIVE BALANCE SHEET

JUNE 30,

	2026	2025
ASSETS		
Cash	$ 2,950,043	$ 471,804
Accounts Receivable	1,742	1,868
Due from Other Governmental Units	1,202,251	1,125,267
Inventory	47,617	42,909
Prepaid Expenditures	9,110	7,089
Investments	1,896,102	4,256,944
TOTAL ASSETS	$ 6,106,865	$ 5,905,881
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts Payable	$ 141,437	$ 55,451
Accrued Expenditures	385,049	391,677
Salaries Payable	596,124	571,384
Unearned Revenue	468,595	357,629
Total Liabilities	1,591,205	1,376,141
FUND BALANCE		
Nonspendable:		
Inventory	47,617	42,909
Prepaid Expenditures	9,110	7,089
Assigned to:		
Subsequent Year's Budget Shortfall	480,084	44,735
Unassigned	3,978,849	4,435,007
Total Fund Balance	4,515,660	4,529,740
TOTAL LIABILITIES AND FUND BALANCE	$ 6,106,865	$ 5,905,881

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2026
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2025

	2026		2025
	BUDGET	ACTUAL	ACTUAL
REVENUES			
Local Sources	$ 5,192,911	$ 5,194,106	$ 5,218,725
State Sources	6,975,881	6,297,050	6,134,651
Federal Sources	416,532	311,866	471,964
Other Transactions	388,130	390,521	478,382
Total Revenues	12,973,454	12,193,543	12,303,722
EXPENDITURES			
Instruction			
Basic Programs			
Elementary School	1,354,539	1,369,258	1,270,541
Middle School	1,843,990	1,848,214	1,677,429
High School	1,484,163	1,499,774	1,639,061
Pre School	683,275	547,582	351,343
Summer School	45,479	27,271	12,800
Added Needs			
Special Education	507,262	508,135	556,317
Compensatory Education	677,793	590,195	701,172
Career and Technical Education	32,183	32,471	13,212
Supporting Services			
Pupil			
Truancy/Absenteeism Services	67,768	67,630	64,324
Guidance Services	227,476	223,863	301,388
Social Work Services	110,445	109,910	105,362
Other Pupil Services	652,053	211,313	235,664
Instructional Staff			
Improvement of Instruction	306,674	293,709	304,007
Educational Media Services	80,182	79,957	92,423
Instruction Related Technology	0	0	891
Supervision/Direction of Instruction	109,353	83,782	63,360
Academic Student Assessment	12,709	12,225	12,643
General Administration			
Board of Education	84,541	79,596	95,108
Executive Administration	332,354	333,391	371,458
School Administration			
Office of the Principal	916,902	911,377	794,250
Other School Administration	4,186	4,186	2,387

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2026
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2025

	2026		2025
	BUDGET	ACTUAL	ACTUAL
Business			
Fiscal Services	291,574	290,912	283,033
Other Business Services	29,433	29,033	27,350
Operation and Maintenance			
Operating Buildings Services	1,630,328	1,623,877	1,552,564
Security Services	39,000	39,000	351,461
Pupil Transportation Services	700,707	692,874	730,658
Central Support Services			
Communication Services	30,551	24,955	20,830
Staff Services	35,727	32,385	25,268
Technology	206,513	204,562	207,439
Other Support Services			
Pupil Activities	71,092	71,166	72,979
Athletic Activities	311,908	307,254	246,559
Other Support Services	535	535	412
Community Services			
Community Recreation	1,500	430	5,841
Community Activities	0	0	746
Welfare Activities	500	500	2,791
Facilities Acquisition, Construction, and Improvements			
Site Improvement Services	45,997	1,000	0
Prior Period Adjustments	52,000	46,449	12
Other Transactions			
Payments to Other School Districts	19,480	17,653	18,741
Total Expenditures	13,000,172	12,216,424	12,211,824
Excess of Revenues Over (Under) Expenditures	(26,718)	(22,881)	91,898
OTHER FINANCING SOURCES (USES)			
Proceeds from the Sale of Capital Assets	8,801	8,801	0
Net Change in Fund Balance	(17,917)	(14,080)	91,898
FUND BALANCE - Beginning of Year	4,529,740	4,529,740	4,437,842
FUND BALANCE - End of Year	$ 4,511,823	$ 4,515,660	$ 4,529,740

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

GENERAL FUND
ANALYSIS OF REVENUES - BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2026
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2025

	2026		2025
	BUDGET	ACTUAL	ACTUAL
LOCAL SOURCES			
Property Taxes			
Operating Millage	$ 4,799,528	$ 4,799,528	$ 4,745,613
Interest on Delinquent Taxes	26,639	26,639	23,772
Other Taxes	628	628	215
Earnings on Investments and Deposits	225,000	224,420	277,717
Admissions	38,776	38,776	36,250
Dues and Fees	18,645	18,945	14,295
Other Pupil Activity	4,714	4,714	6,349
Community Service Activity	13,200	13,200	9,250
Contributions from Private Sources	40,776	40,777	40,710
Miscellaneous	25,005	26,479	64,554
Total Local Sources	5,192,911	5,194,106	5,218,725
STATE SOURCES			
Grants-In-Aid Unrestricted			
State School Aid			
Foundation Allowance	2,923,054	2,923,045	2,673,430
Grants-In-Aid Restricted			
State School Aid			
MPSERS Cost Offset	962,425	962,874	1,288,928
At Risk	1,467,762	1,025,171	921,800
School Readiness	754,346	543,759	320,533
First Robotics	69,179	69,179	60,715
Headlee Data Collection	39,620	39,620	33,965
Special Education	358,809	358,809	395,941
Social Worker	0	0	39,497
Mental Health and Support Services	87,123	86,997	0
Per Pupil Mental Health Grant	0	0	171,803
MI Kids Back on Track	71,211	45,244	24,038
Educator Compensation Program	112,997	112,997	0
District Transportation Costs	123,265	123,265	122,075
Benchmark Assessment	0	0	7,612
Student Loan Repayment Program	0	0	2,473
Numbers Corners	6,090	6,090	71,841
Total State Sources	6,975,881	6,297,050	6,134,651

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

GENERAL FUND
ANALYSIS OF REVENUES - BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2026
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2025

	2026		2025
	BUDGET	ACTUAL	ACTUAL
FEDERAL SOURCES			
Grants-In-Aid Unrestricted			
Medicaid Fee for Services	18,821	18,821	9,630
Grants-In-Aid Restricted			
Preschool Grants - IDEA	0	0	12,283
Received from Michigan Department of Education			
Healthy Hydration	17,509	17,509	0
Elementary and Secondary School Emergency Relief Fund	0	0	206,971
Title I Part A	314,883	218,244	200,268
Title II Part A - Improving Teacher Quality	37,050	32,347	32,947
Title IV Part A	28,269	24,945	9,865
Total Federal Sources	416,532	311,866	471,964
OTHER TRANSACTIONS			
Transfers from Other School Districts Within the State			
Special Education Millage	57,911	57,911	71,848
Other Transfers	307,936	310,327	336,479
Insurance Reimbursement	0	0	5,129
Prior Period Adjustment	22,283	22,283	64,926
Total Other Transactions	388,130	390,521	478,382
TOTAL REVENUES	$ 12,973,454	$ 12,193,543	$ 12,303,722

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

GENERAL FUND
ANALYSIS OF EXPENDITURES - BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2026
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2025

	2026		2025
	BUDGET	ACTUAL	ACTUAL
INSTRUCTION			
Basic Programs			
Elementary			
Salaries	$ 777,890	$ 777,226	$ 675,547
Employee Benefits	456,281	472,158	421,668
Purchased Services	63,420	63,342	48,366
Supplies and Materials	55,748	55,478	124,732
Other Expense	1,200	1,054	228
Total Elementary	1,354,539	1,369,258	1,270,541
Middle School			
Salaries	1,049,730	1,049,304	943,234
Employee Benefits	731,972	737,835	695,758
Purchased Services	7,353	7,010	8,231
Supplies and Materials	51,184	50,751	28,873
Other Expense	3,751	3,314	1,333
Total Middle School	1,843,990	1,848,214	1,677,429
High School			
Salaries	812,448	812,554	870,753
Employee Benefits	516,706	533,279	633,273
Purchased Services	120,627	120,760	108,889
Supplies and Materials	32,048	31,409	24,889
Other Expense	2,334	1,772	1,257
Total High School	1,484,163	1,499,774	1,639,061
Preschool			
Salaries	380,847	299,625	188,625
Employee Benefits	248,833	198,788	128,426
Purchased Services	4,358	1,658	1,795
Supplies and Materials	49,237	47,511	32,497
Total Preschool	683,275	547,582	351,343

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

GENERAL FUND
ANALYSIS OF EXPENDITURES - BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2026
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2025

	2026		2025
	BUDGET	ACTUAL	ACTUAL
Summer School			
Purchased Services	44,423	26,752	11,767
Supplies and Materials	1,056	519	1,033
Total Summer School	45,479	27,271	12,800
Added Needs			
Special Education			
Salaries	320,527	320,684	312,220
Employee Benefits	174,752	175,469	236,747
Purchased Services	8,850	8,849	4,229
Supplies and Materials	2,574	2,574	3,101
Other Expense	559	559	20
Total Special Education	507,262	508,135	556,317
Compensatory Education			
Salaries	404,414	353,602	393,574
Employee Benefits	267,378	230,593	289,297
Purchased Services	753	753	13,184
Supplies and Materials	5,248	5,247	3,218
Capital Outlay	0	0	1,899
Total Compensatory Education	677,793	590,195	701,172
Career and Technical Education			
Salaries	11,942	11,942	8,532
Employee Benefits	9,619	9,597	4,680
Purchased Services	2,500	2,500	0
Capital Outlay	8,122	8,432	0
Total Compensatory Education	32,183	32,471	13,212
TOTAL INSTRUCTION	6,628,684	6,422,900	6,221,875
SUPPORTING SERVICES			
Pupil			
Truancy/Absenteeism Services			
Salaries	37,683	37,683	34,426
Employee Benefits	30,085	29,947	29,898
Total Truancy/Absenteeism Services	67,768	67,630	64,324

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

GENERAL FUND
ANALYSIS OF EXPENDITURES - BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2026
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2025

	2026		2025
	BUDGET	ACTUAL	ACTUAL
Guidance Services			
Salaries	122,417	120,303	166,867
Employee Benefits	103,780	102,281	133,543
Other Expense	1,279	1,279	978
Total Guidance Services	227,476	223,863	301,388
Social Work Services			
Salaries	66,964	66,705	62,657
Employee Benefits	42,548	42,272	42,005
Purchased Services	719	719	450
Supplies and Materials	214	214	250
Total Social Work Services	110,445	109,910	105,362
Other Pupil Services			
Salaries	61,755	61,044	48,869
Employee Benefits	36,580	36,540	30,826
Purchased Services	553,718	113,729	155,969
Total Other Pupil Services	652,053	211,313	235,664
Instructional Staff			
Improvement of Instruction			
Salaries	163,581	159,114	161,852
Employee Benefits	135,081	126,817	131,299
Purchased Services	8,012	7,778	10,856
Total Improvement of Instruction	306,674	293,709	304,007
Education Media Services			
Salaries	47,400	47,238	54,834
Employee Benefits	27,019	26,980	32,752
Purchased Services	1,361	1,361	0
Supplies and Materials	4,402	4,378	4,837
Total Education Media Services	80,182	79,957	92,423
Instruction Related Technology			
Supplies and Materials	0	0	891

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

GENERAL FUND
ANALYSIS OF EXPENDITURES - BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2026
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2025

	2026		2025
	BUDGET	ACTUAL	ACTUAL
Supervision/Direction of Instruction			
Salaries	65,542	52,969	38,267
Employee Benefits	24,272	17,652	14,664
Purchased Services	19,539	13,161	10,429
Total Supervision/Direction of Instruction	109,353	83,782	63,360
Academic Student Assessment			
Supplies and Materials	12,709	12,225	12,643
General Administration			
Board of Education			
Salaries	1,540	1,540	1,400
Employee Benefits	144	144	137
Purchased Services	76,029	71,084	88,373
Other Expense	6,828	6,828	5,198
Total Board of Education	84,541	79,596	95,108
Executive Administration			
Salaries	181,629	184,399	186,294
Employee Benefits	126,940	126,804	174,626
Purchased Services	20,300	19,431	9,752
Supplies and Materials	3,000	2,272	776
Other Expense	485	485	10
Total Executive Administration	332,354	333,391	371,458
School Administration			
Office of the Principal			
Salaries	508,906	507,176	445,921
Employee Benefits	368,303	365,967	315,313
Purchased Services	27,568	27,166	28,135
Supplies and Materials	9,500	9,088	2,929
Other Expense	2,625	1,980	1,952
Total Office of the Principal	916,902	911,377	794,250
Other School Administration			
Supplies and Materials	4,186	4,186	2,387

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

GENERAL FUND
ANALYSIS OF EXPENDITURES - BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2026
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2025

	2026		2025
	BUDGET	ACTUAL	ACTUAL
Business			
Fiscal Services			
Salaries	165,414	165,396	156,422
Employee Benefits	119,258	119,183	120,401
Purchased Services	3,402	3,206	3,179
Supplies and Materials	3,000	2,665	2,558
Other Expense	500	462	473
Total Fiscal Services	291,574	290,912	283,033
Other Business Services			
Purchased Services	19,433	19,433	18,129
Other Expense	10,000	9,600	9,221
Total Other Business Services	29,433	29,033	27,350
Operation and Maintenance			
Operating Buildings Services			
Salaries	156,341	154,292	74,913
Employee Benefits	125,790	124,694	53,789
Purchased Services	862,701	858,941	917,212
Supplies and Materials	463,496	457,651	400,413
Capital Outlay	0	5,475	97,682
Other Expense	22,000	22,824	8,555
Total Operating Building Services	1,630,328	1,623,877	1,552,564
Security Services			
Purchased Services	39,000	39,000	39,000
Supplies and Materials	0	0	36,703
Capital Outlay	0	0	275,758
Total Security Services	39,000	39,000	351,461
Pupil Transportation Services			
Salaries	245,828	243,793	241,043
Employee Benefits	183,143	181,034	229,955
Purchased Services	192,676	190,539	159,714
Supplies and Materials	77,060	75,886	97,760
Other Expense	2,000	1,622	2,186
Total Pupil Transportation Services	700,707	692,874	730,658

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

GENERAL FUND
ANALYSIS OF EXPENDITURES - BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2026
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2025

	2026		2025
	BUDGET	ACTUAL	ACTUAL
Central Support Services			
Communication Services			
Salaries	19,782	16,314	13,285
Employee Benefits	10,769	8,641	7,545
Total Communication Services	30,551	24,955	20,830
Staff Services			
Salaries	22,600	20,982	13,580
Employee Benefits	8,262	8,065	9,249
Purchased Services	4,266	3,147	2,205
Other Expense	599	191	234
Total Staff Services	35,727	32,385	25,268
Technology			
Salaries	7,361	7,360	7,333
Employee Benefits	5,792	5,768	6,117
Purchased Services	172,360	171,026	163,333
Supplies and Materials	21,000	20,408	30,656
Total Technology	206,513	204,562	207,439
Other Support Services			
Pupil Activities			
Salaries	1,910	1,910	5,000
Employee Benefits	931	1,004	2,464
Purchased Services	6,895	6,896	2,655
Supplies and Materials	856	856	604
Other Expense	60,500	60,500	62,256
Total Other Support Services	71,092	71,166	72,979
Athletic Activities			
Salaries	103,017	103,018	88,132
Employee Benefits	50,902	47,502	40,754
Purchased Services	57,003	56,598	48,015
Supplies and Materials	45,000	44,745	20,247
Capital Outlay	20,977	20,977	24,575
Other Expense	35,009	34,414	24,836
Total Athletic Activities	311,908	307,254	246,559

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

GENERAL FUND
ANALYSIS OF EXPENDITURES - BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2026
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2025

	2026		2025
	BUDGET	ACTUAL	ACTUAL
Other Support Services			
Supplies and Materials	535	535	412
Total Other Support Services	535	535	412
TOTAL SUPPORTING SERVICES	6,252,011	5,727,492	5,961,818
COMMUNITY SERVICES			
Community Recreation			
Purchased Services	0	0	4,500
Supplies and Materials	1,500	430	1,341
Total Community Recreation	1,500	430	5,841
Community Activities			
Other Expense	0	0	746
Total Community Activities	0	0	746
Welfare Activities			
Purchased Services	500	500	1,350
Supplies and Materials	0	0	1,441
Total Welfare Activities	500	500	2,791
TOTAL COMMUNITY SERVICES	2,000	930	9,378
FACILITIES ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS			
Site Improvement Services			
Purchased Services	45,747	750	0
Other Expense	250	250	0
Total Site Improvement Services	45,997	1,000	0
PRIOR PERIOD ADJUSTMENTS			
Other Expense	52,000	46,449	12
PAYMENTS TO OTHER K-12 DISTRICTS			
Other Transactions	19,480	17,653	18,741
TOTAL EXPENDITURES	$ 13,000,172	$ 12,216,424	$ 12,211,824

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

LATCHKEY FUND
COMPARATIVE BALANCE SHEET

JUNE 30,

	2026	2025
ASSETS		
Cash	$ 815,078	$ 737,761
Accounts Receivable	2,782	7,853
Due from Other Governmental Units	30,174	25,431
Prepaid Expenditures	1,230	1,223
TOTAL ASSETS	$ 849,264	$ 772,268
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts Payable	$ 11,103	$ 7,261
Salaries Payable	1,695	1,016
Total Liabilities	12,798	8,277
FUND BALANCE		
Nonspendable, Prepaid Expenditures	1,230	1,223
Assigned for Custody and Care of Children	835,236	762,768
Total Fund Balance	836,466	763,991
TOTAL LIABILITIES AND FUND BALANCE	$ 849,264	$ 772,268

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

LATCHKEY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2026
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2025

	2026		2025
	BUDGET	ACTUAL	ACTUAL
REVENUES			
Local Sources			
Earnings on Investments and Deposits	$ 3,000	$ 3,177	$ 3,002
Charges for Child Care Services			
Private Pay			
Children, Infants and Toddlers	176,000	183,327	126,556
Northwest Michigan Community Action Agency	0	0	73,233
Miscellaneous	16,976	16,976	160
State Sources			
Michigan Family Independence Agency			
Children, Infants and Toddlers	355,000	347,662	213,056
MiLEAP Grant	0	0	11,525
Other Transactions			
Other Local Revenue	1,500	1,500	1,965
Total Revenues	552,476	552,642	429,497
EXPENDITURES			
Custody and Care of Children			
Children, Infants and Toddlers			
Salaries	42,039	41,704	41,639
Employee Benefits	38,586	38,321	33,034
Purchased Services	380,450	372,249	327,600
Supplies and Materials	13,000	11,539	10,063
Other Expenditures	17,000	16,354	16,374
Total Expenditures	491,075	480,167	428,710
Excess of Revenues Over (Under) Expenditures	61,401	72,475	787
FUND BALANCE - Beginning of Year	763,991	763,991	763,204
FUND BALANCE - End of Year	$ 825,392	$ 836,466	$ 763,991

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

2023 CAPITAL PROJECTS FUND
BALANCE SHEET

JUNE 30,

	2026	2025
ASSETS		
Restricted Assets - Cash	$ 0	$ 16,188
Restricted Assets - Investments	0	1,986,585
TOTAL ASSETS	$ 0	$ 2,002,773
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts Payable	$ 0	$ 471,469
Retainage Payable	0	74,373
TOTAL LIABILITIES	0	545,842
FUND BALANCE		
Restricted for Capital Projects	0	1,456,931
TOTAL LIABILITIES AND FUND BALANCE	$ 0	$ 2,002,773

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

2023 CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30,

	2026	2025
REVENUES		
Local Sources		
Earnings on Investments and Deposits	$ 14,382	$ 203,385
EXPENDITURES		
Supporting Services		
Business		
Other Expense	509,217	25
Pupil Transportation Services		
Capital Outlay	0	148,500
Central Support Services - Technology		
Supplies and Materials	0	11,807
Facilities Acquisition, Construction, and Improvements		
Site Improvement Services		
Capital Outlay	0	38,057
Building Improvements Services		
Capital Outlay	961,782	6,091,598
Debt Service		
Bond Issuance Costs	0	500
Total Expenditures	1,470,999	6,290,487
Excess of Revenues Over (Under) Expenditures	(1,456,617)	(6,087,102)
OTHER FINANCING SOURCES (USES)		
Transfers (Out)	(314)	0
Net Change in Fund Balance	(1,456,931)	(6,087,102)
FUND BALANCE - Beginning of Year	1,456,931	7,544,033
FUND BALANCE - End of Year	$ 0	$ 1,456,931

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

2026 CAPITAL PROJECTS FUND
BALANCE SHEET

JUNE 30,

	2026
ASSETS	
Restricted Assets - Cash	$ 254,732
LIABILITIES AND FUND BALANCE	
LIABILITIES	$ 0
FUND BALANCE	
Restricted for Capital Projects	254,732
TOTAL LIABILITIES AND FUND BALANCE	$ 254,732

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

2026 CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30,

	2026
REVENUES	
Local Sources	
Earnings on Investments and Deposits	$ 548
EXPENDITURES	
Supporting Services	
Pupil Transportation Services	
Capital Outlay	152,281
Facilities Acquisition, Construction, and Improvements	
Building Improvements Services	
Capital Outlay	595,280
Debt Service	
Bond Issuance Costs	33,255
Total Expenditures	780,816
Excess of Revenues Over (Under) Expenditures	(780,268)
OTHER FINANCING SOURCES (USES)	
Face Value of Debt	1,035,000
Net Change in Fund Balance	254,732
FUND BALANCE - Beginning of Year	0
FUND BALANCE - End of Year	$ 254,732

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

FOOD SERVICE FUND
COMPARATIVE BALANCE SHEET

JUNE 30,

	2026	2025
ASSETS		
Cash	$ 220,652	$ 156,754
Accounts Receivable	50,000	50,014
Due from Other Governments	58,707	50,909
Inventory	10,789	12,282
TOTAL ASSETS	$ 340,148	$ 269,959
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts Payable	$ 52,388	$ 35,653
FUND BALANCE		
Nonspendable, Inventory	10,789	12,282
Restricted for Food Service	276,971	222,024
Total Fund Balance	287,760	234,306
TOTAL LIABILITIES AND FUND BALANCE	$ 340,148	$ 269,959

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

FOOD SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2026
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2025

	2026		2025
	BUDGET	ACTUAL	ACTUAL
REVENUES			
Local Sources			
Earnings on Investments and Deposits	$ 1,200	$ 1,230	$ 607
Food Sales to Adults	6,500	6,640	9,516
Ala-Carte Sales and Milk Sales	15,000	15,604	12,050
Other Income	57,000	58,478	47,887
State Sources			
State Aid	27,000	29,518	27,972
Local Produce in School Meals	0	0	10,890
Federal Sources			
School Breakfast Program	225,000	227,503	176,969
School Lunch Program	490,000	493,297	473,014
U.S.D.A. Commodities	53,000	53,116	44,332
U.S.D.A. Commodities - Bonus	0	0	316
Summer Food Service Program for Children	81,955	82,605	37,878
Child and Adult Care Food Program	37,000	38,977	39,360
Food Equipment Assistance Grant	0	0	24,703
Healthy Meals Incentive	7,382	7,382	69,181
Other Transactions			
Prior Period Adjustment	3,171	9,788	2,073
Total Revenues	1,004,208	1,024,138	976,748
EXPENDITURES			
Food Service Activities			
Purchased Services	512,272	510,387	506,129
Supplies and Materials	449,035	451,478	382,360
Capital Outlay	5,458	5,458	83,394
Other Expenditures	6,000	3,361	7,507
Total Expenditures	972,765	970,684	979,390
Excess of Revenues Over (Under) Expenditures	31,443	53,454	(2,642)
FUND BALANCE - Beginning of Year	234,306	234,306	236,948
FUND BALANCE - End of Year	$ 265,749	$ 287,760	$ 234,306

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

SCHOOL ACTIVITIES FUND
COMPARATIVE BALANCE SHEET

JUNE 30,

	2026	2025
ASSETS		
Cash	$ 224,960	$ 221,796
Due from Other Funds	0	0
TOTAL ASSETS	$ 224,960	$ 221,796
FUND BALANCE		
Assigned for Student Activities	$ 224,960	$ 221,796

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

SCHOOL ACTIVITIES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2026
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2025

	2026		2025
	BUDGET	ACTUAL	ACTUAL
REVENUES			
Local Sources			
Other Student Activity Income	$ 215,000	$ 217,067	$ 196,626
EXPENDITURES			
Other Support Services			
Other Student/School Activity Expenditures	215,000	213,903	176,357
Excess of Revenues Over (Under) Expenditures	0	3,164	20,269
FUND BALANCE - Beginning of Year	221,796	221,796	201,527
FUND BALANCE - End of Year	$ 221,796	$ 224,960	$ 221,796

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

2023 DEBT RETIREMENT FUND
BALANCE SHEET

JUNE 30,

	2026	2025
ASSETS		
Cash	$ 170,535	$ 192,522
LIABILITIES AND FUND BALANCE		
LIABILITIES	$ 0	$ 0
FUND BALANCE		
Restricted for Debt Retirement	170,535	192,522
TOTAL LIABILITIES AND FUND BALANCE	$ 170,535	$ 192,522

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

2023 DEBT RETIREMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30,

	2026	2025
REVENUES		
Local Sources		
Property Taxes	$ 1,297,896	$ 1,239,113
Interest on Delinquent Taxes	4,942	4,524
Earnings on Investments and Deposits	2,127	0
Payments in Lieu of Tax		
Commercial Forest and DNR	5,864	6,449
State Sources		
PPT Reimbursement	3,537	0
Total Revenues	1,314,366	1,250,086
EXPENDITURES		
Debt Service		
Bond Principal	480,000	450,000
Interest and Fees	785,750	807,500
Taxes Abated and Written Off	70,917	536
Total Expenditures	1,336,667	1,258,036
Excess of Revenues Over (Under) Expenditures	(22,301)	(7,950)
OTHER FINANCING SOURCES (USES)		
Transfers In	314	0
Net Change in Fund Balance	(21,987)	(7,950)
FUND BALANCE - Beginning of Year	192,522	200,472
FUND BALANCE - End of Year	$ 170,535	$ 192,522

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

SINKING FUND
COMPARATIVE BALANCE SHEET

JUNE 30,

	2026	2025
ASSETS		
Cash	$ 254,695	$ 515,123
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts Payable	$ 14,812	$ 0
FUND BALANCE		
Restricted for Capital Projects	239,883	515,123
TOTAL LIABILITIES AND FUND BALANCE	$ 254,695	$ 515,123

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

SINKING FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30,

	2026	2025
REVENUES		
Local Sources		
Property Taxes	$ 182,525	$ 177,680
Interest on Delinquent Taxes	702	649
Earnings on Investments and Deposits	2,087	1,895
Payments in Lieu of Tax		
Commercial Forest and DNR	825	925
State Sources		
PPT Reimbursement	500	0
Total Revenues	186,639	181,149
EXPENDITURES		
Supporting Services		
Operation and Maintenance		
Purchased Services	2,980	15,119
Facilities Acquisition, Construction, and Improvements		
Site Improvement Services		
Capital Outlay	434,672	0
Building Improvement Services		
Capital Outlay	14,812	0
Taxes Abated and Written Off	9,415	72
Total Expenditures	461,879	15,191
Excess of Revenues Over (Under) Expenditures	(275,240)	165,958
FUND BALANCE - Beginning of Year	515,123	349,165
FUND BALANCE - End of Year	$ 239,883	$ 515,123

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

STADIUM CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEET

JUNE 30,

	2026	2025
ASSETS		
Cash	$ 20,776	$ 20,741
LIABILITIES AND FUND BALANCE		
LIABILITIES	$ 0	$ 0
FUND BALANCE		
Restricted for Capital Projects	20,776	20,741
TOTAL LIABILITIES AND FUND BALANCE	$ 20,776	$ 20,741

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

STADIUM CAPITAL PROJECTS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30,

	2026	2025
REVENUES		
Local Sources		
Contributions from Private Sources	$ 4	$ 3
Earnings on Investments and Deposits	31	31
Total Revenues	35	34
EXPENDITURES		
Facilities Acquisition	0	0
Excess of Revenues Over (Under) Expenditures	35	34
FUND BALANCE - Beginning of Year	20,741	20,707
FUND BALANCE - End of Year	$ 20,776	$ 20,741

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

2023 SCHOOL BUILDING AND SITE BONDS, SERIES I

JUNE 30, 2026

TITLE OF ISSUE	2023 School Building and Site Bonds, Series I
PURPOSE	For the purpose of erecting secure entries to school buildings; remodeling, furnishing and equipping school buildings; acquiring, installing, equipping school buildings for instructional technology; erecting, furnishing and equipping maintenance and athletic storage building, athletic field house and athletic concession buildings; purchasing school buses; preparing, developing and improving athletic fields and sites, dated February 22, 2023, which are due and payable November 1, 2023 through May 1, 2046, and to pay the costs of issuing the bonds.
DATE OF ISSUE	February 22, 2023

AMOUNT OF ISSUE		$ 16,340,000
AMOUNT REDEEMED		
Prior to Current Year	$ 690,000	
During Current Year	480,000	1,170,000
BALANCE OUTSTANDING - June 30, 2026		$ 15,170,000

DUE DATES	INTEREST RATE	REQUIREMENTS TOTAL	INTEREST	PRINCIPAL
November 1, 2026		$ 379,250	$ 379,250	
May 1, 2027	5.00%	724,250	379,250	$ 345,000
November 1, 2027		370,625	370,625	
May 1, 2028	5.00%	770,625	370,625	400,000
November 1, 2028		360,625	360,625	
May 1, 2029	5.00%	780,625	360,625	420,000
November 1, 2029		350,125	350,125	
May 1, 2030	5.00%	790,125	350,125	440,000
November 1, 2030		339,125	339,125	
May 1, 2031	5.00%	799,125	339,125	460,000
November 1, 2031		327,625	327,625	
May 1, 2032	5.00%	812,625	327,625	485,000
November 1, 2032		315,500	315,500	
May 1, 2033	5.00%	1,015,500	315,500	700,000

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

2023 SCHOOL BUILDING AND SITE BONDS, SERIES I

JUNE 30, 2026

DUE DATES	INTEREST RATE	REQUIREMENTS TOTAL	INTEREST	PRINCIPAL
November 1, 2033		298,000	298,000	
May 1, 2034	5.00%	1,028,000	298,000	730,000
November 1, 2034		279,750	279,750	
May 1, 2035	5.00%	1,044,750	279,750	765,000
November 1, 2035		260,625	260,625	
May 1, 2036	5.00%	1,060,625	260,625	800,000
November 1, 2036		240,625	240,625	
May 1, 2037	5.00%	1,075,625	240,625	835,000
November 1, 2037		219,750	219,750	
May 1, 2038	5.00%	1,094,750	219,750	875,000
November 1, 2038		197,875	197,875	
May 1, 2039	5.00%	1,112,875	197,875	915,000
November 1, 2039		175,000	175,000	
May 1, 2040	5.00%	1,135,000	175,000	960,000
November 1, 2040		151,000	151,000	
May 1, 2041	5.00%	1,151,000	151,000	1,000,000
November 1, 2041		126,000	126,000	
May 1, 2042	5.00%	1,126,000	126,000	1,000,000
November 1, 2042		101,000	101,000	
May 1, 2043	5.00%	1,101,000	101,000	1,000,000
November 1, 2043		76,000	76,000	
May 1, 2044	5.00%	1,076,000	76,000	1,000,000
November 1, 2044		51,000	51,000	
May 1, 2045	5.00%	1,071,000	51,000	1,020,000
November 1, 2045		25,500	25,500	
May 1, 2046	5.00%	1,045,500	25,500	1,020,000
		$ 24,460,000	$ 9,290,000	$ 15,170,000

MANCELONA PUBLIC SCHOOLS
MANCELONA, MICHIGAN

2026 SCHOOL BUILDING AND SITE BONDS, SERIES Ii

JUNE 30, 2026

TITLE OF ISSUE	2026 School Building and Site Bonds, Series II
PURPOSE	For the purpose of erecting secure entries to school buildings; remodeling, furnishing and equipping school buildings; acquiring, installing, equipping school buildings for instructional technology; erecting, furnishing and equipping maintenance and athletic storage building, athletic field house and athletic concession buildings; purchasing school buses; preparing, developing and improving athletic fields and sites, dated February 5, 2026, which are due and payable November 1, 2026 through May 1, 2032, and to pay the costs of issuing the bonds.
DATE OF ISSUE	February 5, 2026

AMOUNT OF ISSUE		$ 1,035,000
AMOUNT REDEEMED		
Prior to Current Year	$ 0	
During Current Year	0	0
BALANCE OUTSTANDING - June 30, 2026		$ 1,035,000

DUE DATES	INTEREST RATE	REQUIREMENTS TOTAL	INTEREST	PRINCIPAL
November 1, 2026		$ 25,630	$ 25,630	
May 1, 2027	3.25%	202,344	17,344	$ 185,000
November 1, 2027		14,338	14,338	
May 1, 2028	3.25%	174,338	14,338	160,000
November 1, 2028		11,738	11,738	
May 1, 2029	3.35%	171,738	11,738	160,000
November 1, 2029		9,058	9,058	
May 1, 2030	3.35%	179,058	9,058	170,000
November 1, 2030		6,210	6,210	
May 1, 2031	3.45%	186,210	6,210	180,000
November 1, 2031		3,105	3,105	
May 1, 2032	3.45%	183,105	3,105	180,000
		$ 1,166,872	$ 131,872	$ 1,035,000