



ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Year Ended June 30, 2022



BLOOMFIELD HILLS, MICHIGAN

Annual Comprehensive Financial Report

Bloomfield Hills Schools

Bloomfield Hills, Michigan

For the fiscal year ended
June 30, 2022

Board Of Education

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Siva Kumar
Vice President

Michelle Southward
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Patrick Watson
Superintendent of Schools

As prepared by the Finance Team

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**Bloomfield Hills Schools
District Officials**

Administration

Patrick Watson
Superintendent of Schools

Keith McDonald
Assistant Superintendent - Human Resources, Labor Relations
& Title IX Coordinator

Todd Bidlack
Assistant Superintendent - Learning Services

Christina M. Kostiuk
Assistant Superintendent – Finance & Operations

Sarah Fairman
Director - Secondary Education

Kimberly Hempton
Director - Elementary Education

Karen Huyghe
Director - Communications

Jacob McDermott
Director – Physical Plant Services

David Shulkin
Director - Learning & Performance Technology

Jennifer Perrone
Director - Special Education

Margaret Schultz
Director – Instructional Equity & Title IX Coordinator

Karen Hildebrandt
Director – Finance

Karen Healy
Director – Human Resources & Payroll

Michael Cowdrey
Director - Athletics & Recreation

Board of Education

John VanGemert
President

Siva Kumar
Vice President

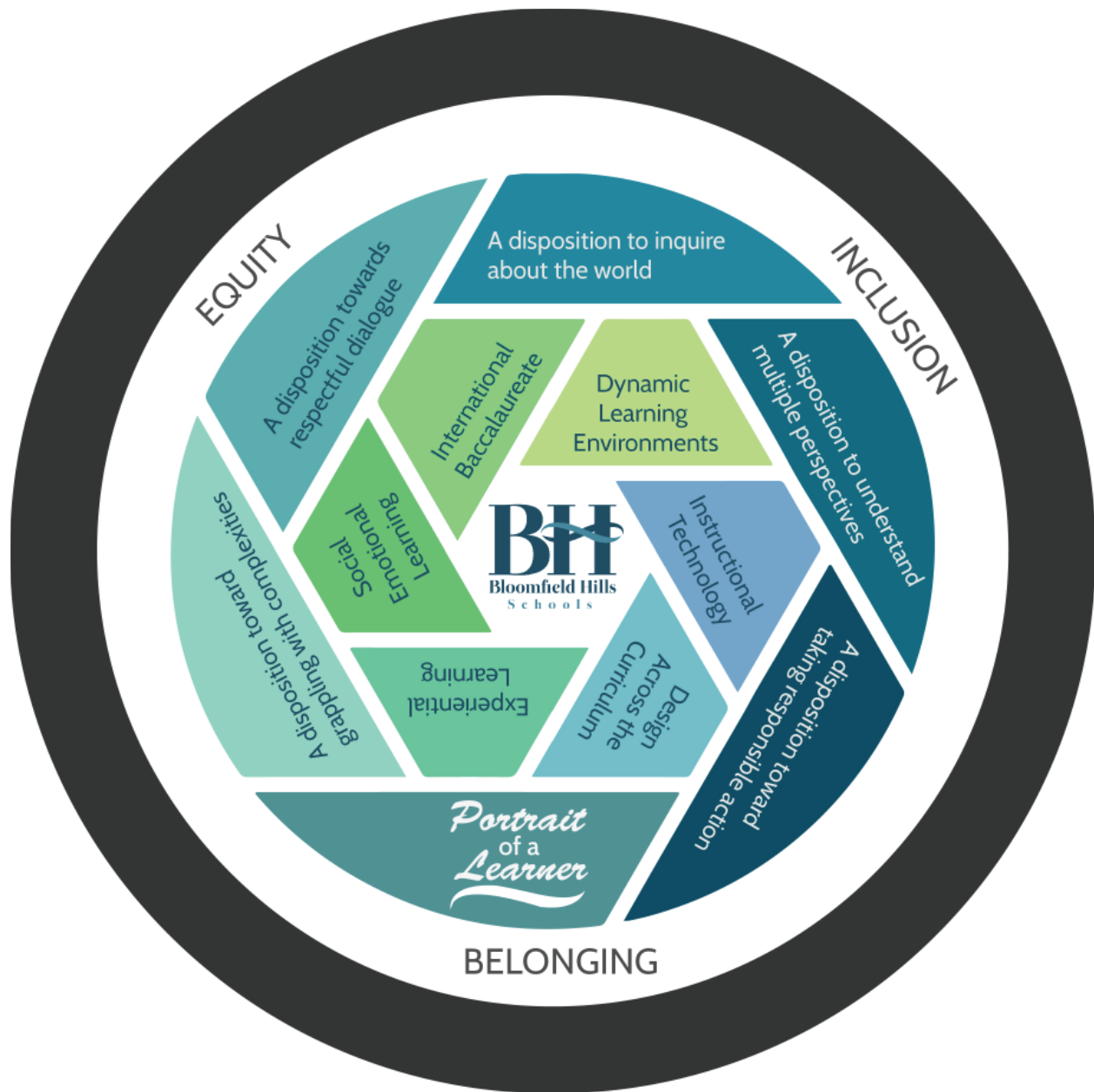
Michelle Southward
Treasurer

Jennifer Matlow
Secretary

Howard Baron
Trustee

Lisa Efras
Trustee

Paul Kolin
Trustee



A disposition to inquire about the world

A learner who inquires about the world can explore local and global connections, ask questions of significance that call upon critical thinking, frame problems and construct solutions. They seek information beyond familiar environments. They engage in analysis, synthesis, evaluation, creation, and application.

A disposition to understand multiple perspectives

A learner who understands multiple perspectives interacts with others whose paths differ greatly from their own, honoring the value of our shared human dignity. They recognize and resist stereotypes and understand multiple cultural contexts.

A disposition toward respectful dialogue

A learner who engages in respectful dialogue can communicate across differences and listen with intentionality. They express empathy for others while sharing courageously, openly and appropriately.

A disposition toward grappling with complexities

A learner who can grapple with complexities can persevere in the face of multi-layered processes, ideas, and problems. They can display resilience in the face of challenges and change.

A disposition toward taking responsible action

A learner who takes responsible action collaborates with others with the intent to mobilize ideas into action. They recognize that service to community is a form of action.

STRATEGIC PLAN GOALS

Goals 1-4 Approved January 17, 2019

Goal 5 Approved June 24, 2021



GOAL #1

BHS will provide an educational experience where all learners are empowered to reach their unique potential reflecting the BHS “Portrait of a Learner.”

Objectives: BHS will adopt measurable best practices in:

- (Objective 1) Providing experiential, student-centered learning, emphasizing a high level of effective research and inquiry throughout the curriculum.
- (Objective 2) Optimizing our use of time to best support the learning needs of students and staff.
- (Objective 3) Implementing multiple ways for students to show evidence of learning
- (Objective 4) Providing all students a rigorous curriculum aligned to standards for every subject
- (Objective 5) Ensuring ongoing opportunities for student choice and voice across all disciplines.
- (Objective 6) Ensuring that students of all abilities are offered the consistent and coherent support needed to reach their potential (MTSS, 504, IEP, etc.)
- (Objective 7) Educating the whole child and intentionally planning for the social/emotional well-being of all students.

GOAL #2

BHS will maximize and equitably allocate resources to achieve District goals.

- Ensure safe and secure facilities.
- Support students’ learning and engagement with state of the art facilities, technology and materials.
- Expand availability and community use of district facilities.
- Develop multiple revenue streams and cost sharing opportunities.
- Support the continued growth of the Bloomfield Hills Schools Foundation.
- Establish a review process to assess how programs affect students in order to allocate resources equitably to cover the full range of student needs and abilities.
- Create a broad-based collaborative of stakeholders to attract and retain families with school age children to Bloomfield Hills Schools.

GOAL #3

BHS will continue to attract, retain, and develop a high quality workforce that supports every student through:

- A collaborative culture of trust, engagement, and growth.
- The strength of diverse voices and multiple perspectives.
- The engagement and empowerment of every employee.

GOAL #4

Bloomfield Hills Schools provides all community members with information to be engaged and empowered

- Provide clear, consistent, and comprehensive communication.
- Create, sustain, and grow relationships and partnerships.
- Use a variety of tools and activities to provide open and accessible communications.

GOAL #5

Bloomfield Hills Schools will foster, encourage, and develop a diverse culture where equity and inclusion are at the forefront of decision making processes: multiple perspectives are shared, celebrated and included, empowering students and staff with the knowledge, experiences, and skills necessary/needed to make the world a just and equitable place for all.

- School leaders will create and maintain inclusive spaces for sharing information and gathering feedback from students on decisions that directly impact them and provide opportunities that include them in the decision making process, helping us to identify (implicit and explicit) the justice, equity, diversity, and inclusion (JEDI) challenges that exist.
- Developing and sustaining infrastructures supported by policies and procedures that build an environment that fosters a culture of justice, equity, diversity and inclusion (JEDI) across all areas of the district.
- Presenting students and staff with tools needed to become advocates for themselves and others.

Core Beliefs & Values

We believe:

EXCELLENCE

- Every student is capable of excellence, and we must work daily to cultivate and honor the multifaceted talents of all our students.
- High expectations, goals, and standards must be set for all students and staff based on relevant data, with accountability for results.
- All student experiences are important, and the whole child must be educated by striving for excellence in academic, artistic, physical, interpersonal, service, vocational, and avocational pursuits.
- Our district must inspire a passion for lifelong learning in students and staff.
- Decisions must be evidence-based wherever applicable.

RESPECT & INCLUSION

- We must create an atmosphere where every child is recognized by their individuality and feels they have a trusted adult who knows their name, strengths, and needs.
- Every student deserves a trusting and empathetic environment where everyone feels safe and valued.
- Recognizing the uniqueness and dignity of individuals of every race, religion, ethnicity, primary language, class, gender, sexual orientation, gender identity, learning style, and ability is critical to our success.
- We must value and build upon the strengths of our diverse community.

EQUITY

- We must critically examine and regularly adapt our efforts to eliminate the effects of educational debt, created by our past and present economic and sociopolitical systems, on student outcomes by providing equitable educational experiences for all students.
- All resources must be directed with the goal of achieving educational equity according to need, so that all students have the opportunity to learn and develop to their highest potential.

INNOVATION

- We must foster and support social emotional wellness, curiosity, creativity, open mindedness, critical thinking, and collaborative problem solving in our students and staff.
- We must embrace a growth mindset so staff and students willingly take on challenges.
- We must cultivate an environment where we honor student choice, student voice, and flexibility in creating and implementing curricula and instruction.

ETHICS

- We must cultivate an environment in which all students and adults take responsibility for their individual and collective behavior.
- We must cultivate a culture of collegiality, collaboration, transparency, and honesty.
- Students should become citizens who care about and contribute to their community and the world.
- Collaborative partnerships with families, students, school, and community are needed to support our public school system as the cornerstone of our democracy.

Our mission

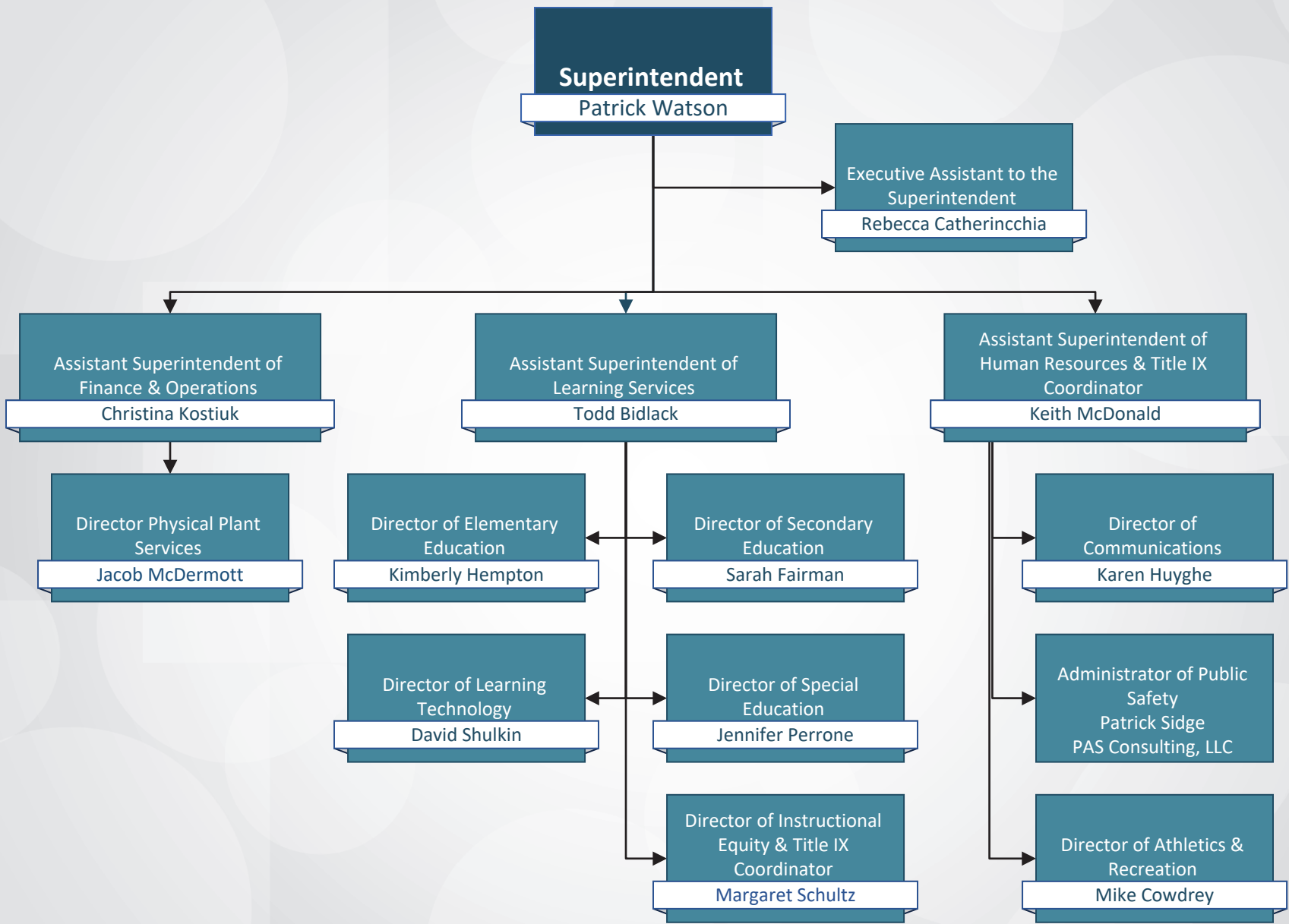
Bloomfield Hills Schools prepares all students to be lifelong learners and engaged citizens in a safe and supportive environment that is equitable and inclusive.

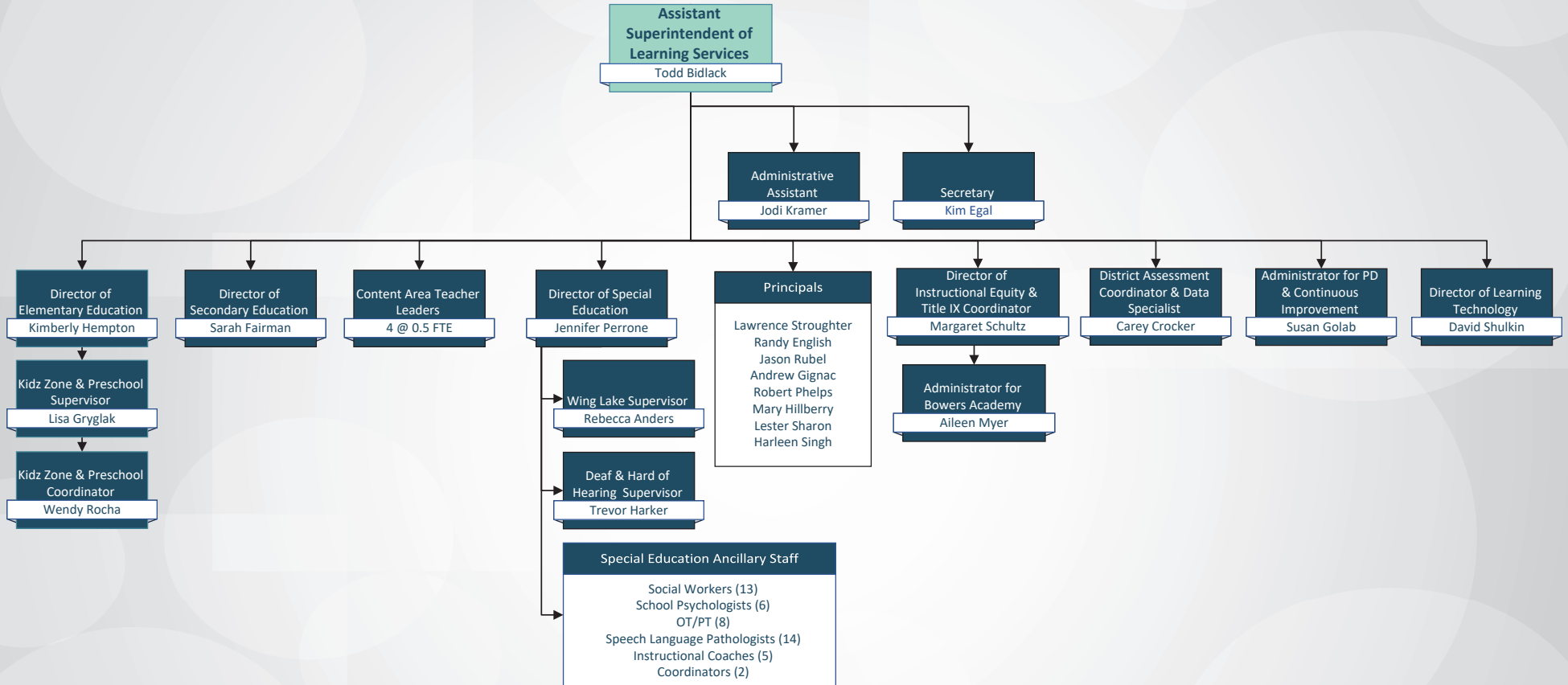
Led by high expectations, Bloomfield Hills Schools students discover and pursue their unique potential.

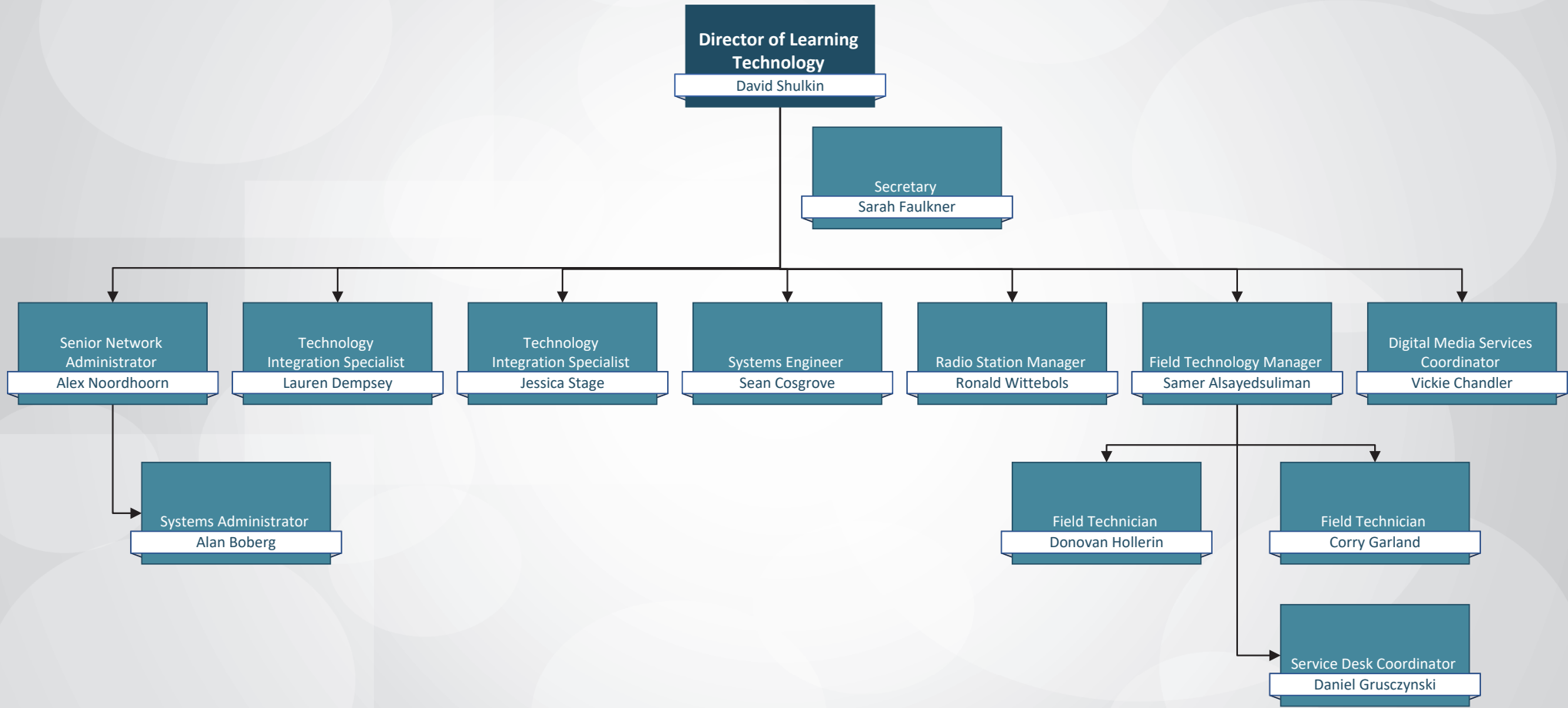
Our vision

Bloomfield Hills Schools will empower every student to achieve their goals through a system that is inclusive and equitable for all.



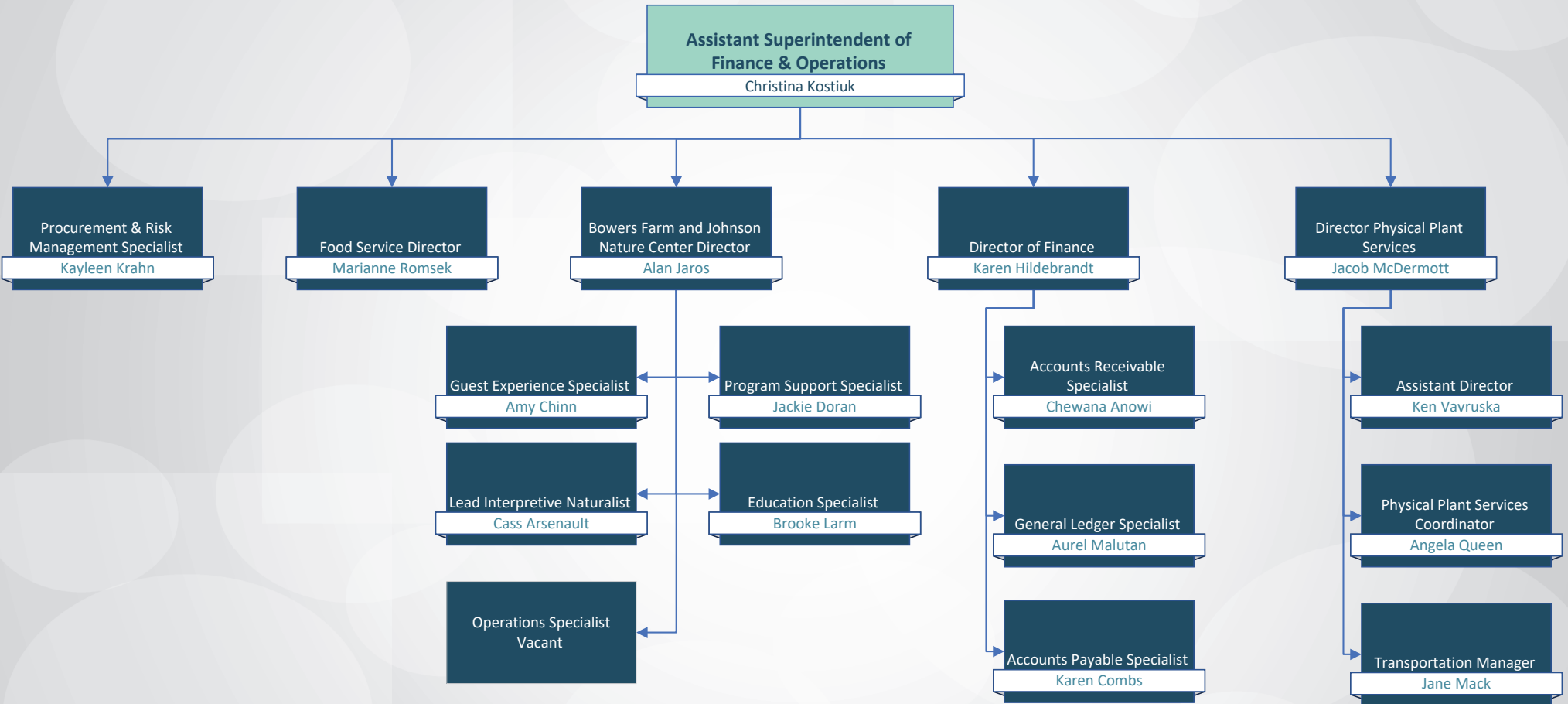


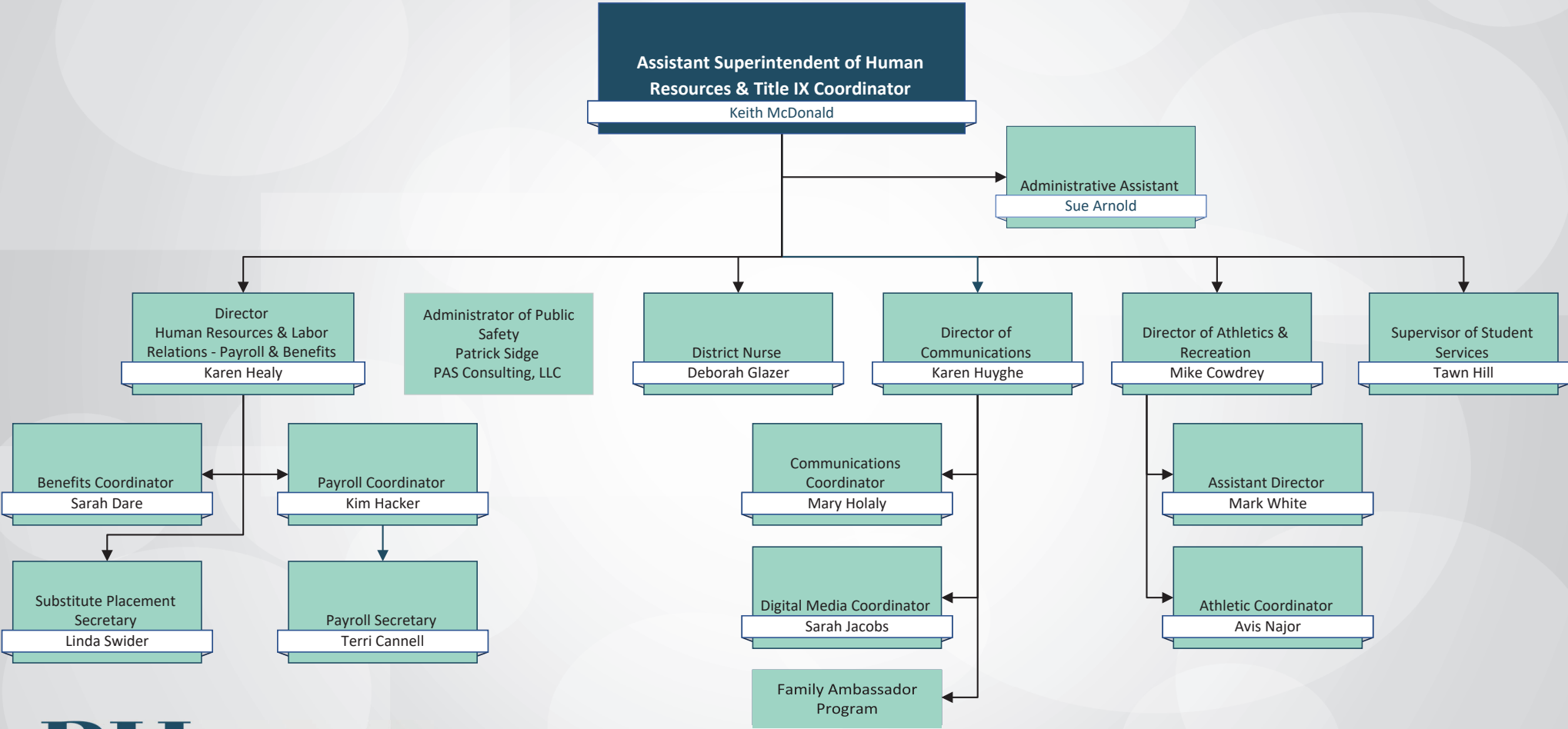




FINANCE & OPERATIONS

Updated: May 2022







October 27, 2022

To Citizens and Board Members:

The Annual Comprehensive Financial Report of Bloomfield Hills Schools (the “School District”) for the fiscal year ended June 30, 2022 is submitted herewith. This report was prepared by the School District and contains all activities and programs of the Board of Education. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the School District. We believe that the data as presented is accurate in all material respects and is presented in a manner designed to fairly set forth the financial position and results of operations of the School District as measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain the maximum understanding of the School District’s financial affairs are included.

Reporting Entity and Services

Bloomfield Hills Schools is an independent reporting entity fully meeting the criteria established by the Governmental Accounting Standards Board. All funds and reporting levels of the School District are included in this report. The School District does not have component units.

The financial section reports separately the district-wide reporting level, governmental fund types, proprietary fund type, and fiduciary fund types administered by the School District.

How this Report is Organized

The Annual Comprehensive Financial Report was prepared to meet the needs of a broad spectrum of financial statement readers and is divided into the following major sections: introductory, financial, and statistical.

Introductory Section

This section introduces the reader to Bloomfield Hills Schools and to this report. Included are the School District’s members of the Board of Education and Administration, Core Beliefs and Values, Vision and Mission Statements, the Portrait of a Learner, Strategic Plan Goals, the School District’s Organizational Charts, this transmittal letter, financial charts and graphs about the School District, Points of Pride of the School District, and the School District’s Certificate of Excellence in Financial Reporting.

Financial Section

The independent auditors’ report, management’s discussion and analysis, financial statements, notes to the financial statements, required supplemental information, and other supplemental information are included in this section. These are the School District’s basic financial statements that will provide an overview for readers who require less detailed information than is contained in the balance of this report. The management’s discussion and analysis provides condensed financial information extracted from the district-wide and fund level financial statements. We direct the reader to the management’s discussion and analysis, which starts on page 3.

The management of the School District is responsible for the financial information and representations contained in the financial statements and other sections of the annual report. In preparing the financial statements, it is necessary that management make informed estimates and judgments based on currently available information about the effects of certain events and transactions.

The basic financial statements, supplementary statements, and schedules presented in the financial section of this report present fairly and with full disclosure the financial position and results of the financial operation of the funds and reporting levels in conformity with accounting principles generally accepted in the United States of America and demonstrate compliance with finance-related legal and contractual provisions.

The basis of accounting for each reporting level/fund is consistent with the activities and objectives of the fund as a fiscal and accounting entity.

Other supplementary information and schedules contain a more detailed analysis of revenues and expenditures that are compared to the 2021-2022 budgets for the General and Special Revenue Funds. In addition, there are combining schedules shown by fund type with totals that agree with those reflected in the basic financial statements as other nonmajor governmental funds. Also included in this section is a schedule of indebtedness describing each debt issue along with interest rates and annual maturities, and schedule of cash and investments.

Statistical Section

Although this section contains substantial financial information, these tables differ from financial statements in that they present some non-accounting data, compare 10 years of data, and are intended to reflect economic data and financial trends of the School District.

About Bloomfield Hills Schools

The Community

Bloomfield Hills Schools covers 25 square miles of lakes and rolling wooded land in Oakland County. It is located approximately 20 miles north of Detroit, with easy access to the abundant cultural and educational activities of the metropolitan area. The School District consists of most of the City of Bloomfield Hills, approximately one-half of Bloomfield Township, and parts of West Bloomfield Township, the City of Troy, and the City of Orchard Lake Village. The population within the School District boundaries is approximately 40,530. The total population of all five municipalities without regard to the School District boundaries is 204,133 per the 2020 Census as reported by the Southeastern Michigan Council of Governments (SEMCOG). This is an established suburban residential community that encourages and supports excellence in education.

Living and learning go hand-in-hand in the Bloomfield Hills community. The schools are the centerpiece of community activities - with art shows, nature walks, sporting events, musical and dramatic performances, parenting classes, enrichment programs, and many other community education and events offered.

The School District's Core Beliefs and Values, Vision, Mission, Strategic Goals, and the Portrait of a Learner

Bloomfield Hills Schools exemplifies a multifaceted environment with many features and perspectives considered. Consistent with other school districts and many businesses, the School District crafted vision and mission statements. During the fall of 2018, a committee of community and staff participated in a *Bloomfield Forward* strategic goal setting process. The committee drafted four goal areas aligned with the Board of Education's approved draft of vision and mission statements: 1- *BHS will provide an educational experience where all learners are empowered to reach their unique potential reflecting the BHS "Portrait of a Learner".* 2- *BHS will maximize and equitably allocate resources to achieve District goals.* 3- *BHS will continue to attract, retain, and develop a high quality workforce that supports every student.* 4 - *Bloomfield Hills Schools provides all community members with information to be engaged and empowered.* In June of 2021, the Board of Education approved strategic goal 5, Diversity, Equity and Inclusion as follows: *Bloomfield Hills Schools will foster, encourage, and develop a diverse culture where equity and inclusion are at the forefront of decision making processes: multiple perspectives are shared, celebrated and included, empowering students and staff with the knowledge, experiences, and skills necessary/needed to make the world a just and equitable place for all.*

The Board of Education approved the School District's core beliefs and values, as well as a vision and mission statements in the past couple of years

As a proud leader in educational innovation, we recognize that as the world rapidly changes, we must continually change and innovate with it, evolving our specific practices upon a solid platform of our mission, vision, core beliefs and values, and strategic goals. This evolving review led to the development of the construction of the Bloomfield Hills Portrait of a Learner, which was revealed on Welcome Back Day 2022 to staff and the community. The dispositions serve as a framework for the learning experiences of each classroom and professional learning session.

A copy of the School District's Core Beliefs and Values, Vision and Mission Statements, Strategic Plan Goals and the Portrait of a Learner is provided at the end of the introductory section.

Instructional Program

Bloomfield Hills Schools is steadfast in the belief that its primary responsibility is to provide optimal educational opportunities for students from pre-kindergarten through grade 12. School District administrators study societal and economic trends with a watchful eye toward students' future opportunities. Students need a solid academic foundation combined with adaptability, resourcefulness, and enterprise in preparation for their success in a world of rapid change. Continual and thoughtful review of curriculum and program options that align with our Vision, Mission, and Portrait of a Learner, strengthens learning experiences for students.

Toward this end, the School District is continually striving for professional growth in order to sustain high quality instruction targeted to the needs of all learners. The School District offers a variety of ongoing and new opportunities for professional learning. In addition, enthusiastic staff optimize student learning through innovative programming. Parents, students, and community members have ever-increasing opportunities to work with instructional staff to consider program options and create new partnerships within its schools. Ultimately, Bloomfield Hills Schools strives to prepare students for effective participation within their local and global society.

The School District has long understood the value of technology as a means of expanding and enhancing both teaching and learning. Providing students, teachers, and families with access to uniform technology platforms, common tools, and technical supports, the District can use

technology in a more effective and purposeful way for a more personalized student learning experience.

With that focus, the School District provides individual devices for each student and staff member with age appropriate tools, applications, and digital resources designed to engage, enhance, and extend learning experiences beyond the classroom.

At the core of our district philosophy, we believe student engagement, rich and caring relationships, developing a sense of belonging, and student ownership and agency in learning are paramount. Research, school visits, and reflection on our students' needs indicated that a redesign of learning spaces can facilitate a meaningful connection to the curriculum, peers, and teachers. This focus has resulted in a design of gateway spaces and learning communities at the middle school and high school levels. We believe that students will thrive in environments that promote collaboration, collaboration, creativity, critical thinking, and attend to personal learning.

The School District continually investigates funding options, which will permit it to continue to offer a myriad of opportunities to its students to meet the demands of the third millennium.

Elementary Schools

The School District's four exemplary elementary schools provide comprehensive instruction in reading, writing, math, science, social studies, Spanish, technology, art, music, and physical education while focusing on each child's social and emotional development. Each building has grades kindergarten through three or grades kindergarten through four. Two of our sites offer Developmental Kindergarten for kindergarten-eligible children.

The outstanding core curriculum includes hands-on technology and an emphasis on inquiry. Our districts' Portrait of a Learner drives our instructional design and fosters dispositions essential to success in the 21st century. Our district curriculum strives to design learning opportunities that embrace the natural connections between subjects taught, learn to develop meaningful questions about content and their learning while concurrently acquiring skills that enable them to assess the validity and impact of information they discover. Our learners understand and appreciate the importance of examining issues from multiple perspectives and cultures. Our classrooms are places where thinking is honored, and demonstrations of understanding are valued. Students engage in deep and connected learning that promotes independence and a sense of agency.

In addition, our elementary schools are supported with frameworks that guide their ongoing development. Conant and Lone Pine Elementary Schools are authorized by the International Baccalaureate Primary Years Programme (PYP). PYP requires a cross-disciplinary, inquiry-based approach to teaching and learning. The PYP is internationally accredited and takes a global context into account in the learning design. Both Eastover Elementary School and Way Elementary School are categorized in the PYP 'interest phase' as we coordinate next steps for accreditation. These campuses have held a rich and longstanding relationship with Harvard's Project Zero and continue to embrace the Visible Thinking framework as they also step into additional learning offered by the International Baccalaureate Organization. Each of our elementary schools strive toward a coherent, district organized resource and professional learning framework that guides our instructional and assessment practices. In 2015, Eastover Elementary School was recognized as a U.S. Department of Education National Blue Ribbon School. In 2021, Conant Elementary School was recognized as a U.S. Department of Education National Blue Ribbon School.

Middle Schools

The School District's nationally recognized middle school program offers a team approach focusing on the core areas of math, science, English Language Arts, and social studies. Numerous elective classes provide students with opportunities to discover and explore their passions in world language, design technology, 2D and 3D arts, music, health, physical education, and computer literacy. Consultant teams work with teachers to provide enrichment and remedial programs to ensure the success of all students. Our middle school students continue to thrive as they regularly engage with multiple local, state, and national organizations, athletic and academic competitions and service opportunities.

High Schools

Recognized as "Outstanding" by the U.S. Department of Education, the School District's high school, Bloomfield Hills High School, annually produces an average of 20 National Merit Recognitions, including scholarship winners, 98 percent of our students are college applicants, and a generous number of presidential scholars in academics and the arts. Built around the four Cornerstones of Relationships, Authentic Learning, Innovation and Responsibility/Ownership, the campus features open, flexible, collaborative learning spaces that mirror the modern work environments found in business and higher education. Through collaborative and supportive learning communities in ninth and tenth grade, students are able to take ownership of the opportunities to individualize their learning in eleventh and twelfth grades. Bloomfield Hills High School provides the International Baccalaureate Middle Years Programme (MYP) for all students in ninth and tenth grades. The collaborative nature and focus on interdisciplinary learning within the MYP blends well with the learning community model. In addition, the International Baccalaureate Diploma Programme is an option for students in eleventh and twelfth grades. The Diploma Programme is substantially more rigorous, requiring end-of-term exams in several content areas among other requirements. Increasingly, universities are inquiring in their application process whether students have participated in International Baccalaureate-sanctioned curriculum programs. Advanced Placement courses also challenge students in areas of interest and prepare students for a post-secondary career.

As an option available to students during their high school career, the School District utilizes the Model Center to house the Pathway program. The BHHS Pathway Program is designed to create rich and meaningful learning experiences for students through a sense of community and connectedness within the school and the local community. Students have the opportunity to pursue their passions, engage in authentic and experiential learning opportunities and be directly connected with organizations outside the school walls. Developing relationships with business, industry and higher education partners is a key component of the BHHS Pathways in order to design a program that creates powerful, transformative, meaningful and unique learning experiences. The Pathway programs include Media Arts, Biomedical, and Agriculture, Food, and Natural Resources. An engineering Pathway program is under development.

An alternative high school, Bowers Academy, operates at the School District's Charles L. Bowers Farm (Bowers School Farm). Students participate in a unique culture that provides an optimal learning environment that is student-centered, place-based, with a strong focus on social-emotional learning. At Bowers, students learn collaboratively utilizing a responsive, flexible, and experiential curriculum. There is a focus on restorative approaches to behavior and support recognizing that all people bring unique circumstances and strengths with them. Student to adult ratio target is 8:1, allowing students to best realize their strengths, interests, and independence through strong partnerships and immersive experiences.

The PREP (Prepared, Responsible, Employable, Productive) program opened in 2006, serving post-secondary students ages 18 through 26. The young adults learn vocational and life skills in

the program. In addition, the Disability Network teaches them empowerment skills like self-advocacy and personal responsibility. Michigan Rehabilitative Services provides job coaching and helps students find work. Recently, the PREP program has added a welcome desk at Booth to greet any visitors while supporting students as they work on employment skills.

The International Academy (IA) is a Bloomfield Hills-hosted consortium high school comprised of 13 school districts in Oakland County. Students are diverse in their cultural, social and economic backgrounds. All IA students dedicate themselves to earning the world-recognized International Baccalaureate Diploma. With a 190-day school year and six hours of instruction per day, the Academy provides a unique blend of rigorous academic standards and practical, career-related learning in a small campus environment. The IA is consistently ranked as a top school in the nation and the state by *U.S. News and World Report*. It also leads the state of Michigan in SAT scores, with almost 16% of the Class of 2023 at the Bloomfield campus qualifying as National Merit Semi-Finalists. The IA is particularly proud of its commitment to the IB as evidenced by exceeding the world's IB Diploma acquisition rate. As a student-focused school, it is also proud to be ranked as the best high school in the state by *Niche*, which includes qualitative and quantitative criteria. The IA credits its 26 years of success to its high level of dedication and engagement of its teachers and students.

Special Needs Facilities

The School District operates two Oakland County Special Education regional programs. Wing Lake Developmental Center serves students with severe cognitive and severe multiple impairments. The second center program is for students who are deaf and hard of hearing (DHH). Students that attend the DHH center program attend three general education buildings with their same age peers. Students attend both center programs from schools throughout Oakland County.

SCAMP is a five-week summer day camp program for children with disabilities. The program is operated by Bloomfield Hills Schools and is funded through tuition and donations.

Bloomfield Hills supports students under the Michigan Administrative Rules for Special Education (MARSE) Rules to meet students' individual needs. Programs and services are offered in every building and include resource room, ancillary services i.e., school social work, occupational therapy, physical therapy, speech and language therapy and paraprofessional support as determined by a student's Individual Education Plan (IEP). All students are general education students first and foremost and receive specially designed instruction in their deficit area. Students may be eligible for services from birth to 26 years of age.

Wellness and Social Emotional Learning (SEL)

The School District is committed to supporting the social emotional wellness of both students and staff. The district understands that teaching social and emotional skills is as important as teaching academic content. A leadership team in the district created an implementation plan which outlined three main priorities for the Bloomfield Hills Schools. The three priorities are: check-in and routines for students, staff meetings centered in staff wellness, and dedicated weekly time for SEL lessons. Bloomfield Hills Schools remains committed to building on the foundation of SEL that we have built, using monthly themes that align to the core competencies outlined by the Collaborative for Academic, Social, and Emotional Learning (CASEL). Staff across the district also continue to embed social emotional learning within the core content of the classroom, supporting the whole student each and every day.

Bloomfield Hills Schools has also started a therapy dog program last year to support the mental health and wellness of staff and students. Currently, we have a therapy dog full time in four of

our buildings, and will be growing that over the next couple of years to support a dog in each of our schools. The results thus far have been amazing, with students reporting increased attentiveness and increased engagement. We look forward to every child in our district experiencing the benefits of the therapy dog program.

Preschool and Child Care Services

The School District places a deliberate focus on preschool and childcare services. Such services round out the Developmental Kindergarten through twelfth grade program and provide truly comprehensive services to families. The preschool program prepares children for kindergarten beginning at the age of two-and-a-half years old. Preschool instruction is developmentally appropriate and aligns seamlessly with the Michigan Early Childhood Standards and early elementary instruction.

Preschool services are primarily fee-based and operate at three sites under the brand Bloomin' Preschools. These sites were specifically designed and built for preschool-aged children. Two of these facilities are built as additions to existing elementary schools, with enhanced interactions with these elementary schools (Conant and Lone Pine schools). The third is a spacious facility at Fox Hills, which is fully remodeled for preschool-aged children. The School District has been able to participate in a state-funded four year old preschool program, The Great Start Readiness Program. This program has supported a classroom at the Fox Hills site to serve families whose circumstances warrant eligibility for free early childhood education.

Childcare services are also fee-based and provide before and after care services at each preschool location for children who need care outside of traditional preschool hours. In addition, the Fox Hills facility provides childcare, beginning with infants who are six weeks old through two and a half years of age. Another program for infants and toddlers is available at Bloomin' Preschool Lone Pine.

Children with disabilities are supported at Fox Hills in the Special Education Early Development (SEED) Program. These children receive specialized instruction to meet their individualized needs. Additionally, children birth to 3 years of age are supported by our Early Interventionists in their natural environments (homes).

Additionally, before and afterschool care is offered at all of our elementary and middle schools. KidZone is a state licensed, fee based program which provides care for students who need a safe, supervised, environment before and after school.

Specialized Learning Facilities

The E.L. Johnson Nature Center (Nature Center) is a 40-acre outdoor learning area set aside to develop and encourage outdoor, ecological education, and natural resource stewardship for students. A modern interpretive building enhances the site. Programming is scheduled for each grade level consistent with their learning skills and aptitude. The Nature Center is also a community resource, which operates walking trails where visitors can interact with rehabilitated and captive wildlife, throughout the year.

Bowers School Farm has been located on 93 acres in Bloomfield Township since 1967. Animals such as sheep, horses, cattle, and pigs graze the pastures. The Farm featured acres of vegetable production, community gardens, and curated horticultural gardens. The authenticity of a small-scale working farm connects students and the community to where their food comes from. Learning comes alive with meaning and purpose as we welcome every learner to discover and wonder in the world around them. The Bowers School Farm is an integral part of the K-12 instructional program. It provides authentic, place-based learning experiences. Offering field

trips, camps, and public events throughout the year, visitors can get hands-on exploring agriculture through interactive demonstrations. The farm is home to many unique activities including the Bowers Academy, BHHS agriculture, food and natural resources program, and FFA high school leadership program. The latest research-based curriculum and experiential methodology inform the instructional design of school and community programs.

Recreation and Community Services

The School District's Recreation and Community Services Department operates a host of other community outreach programs. Programs are developed to appeal to all ages in the community from preschoolers to adults. The School District's indoor and outdoor facilities are used to operate both recreational and community outreach programs. Facilities and sites owned by the School District provide the only source of community recreation related activities in the Bloomfield Hills area.

Student and Staff Recognition

The School District is proud of the many achievements of students and staff during 2021-2022. A list of some of these achievements is included at the conclusion of the introductory section.

Financial Status of the School District

One of our strategic goals is to maximize and equitably allocate resources to achieve District goals. Within this goal, we will ensure safe and secure facilities, support students' learning and engagement with state of the art facilities, technology and materials, and expand availability and community use of district facilities, among other objectives detailed on the website.

Specific to the financial status of the district, we have been challenged by school funding not keeping pace with inflation since the passage of Proposal A. The challenges will be somewhat alleviated with all districts receiving the same target foundation funding per pupil beginning in 2021-2022. A prudent approach to managing the School District's funds has served the District well. Without adequate funding, ongoing budget balancing efforts are necessary to reduce and eliminate annual operating deficits and to comply with board policy on the operating budget and fund balance level. Despite any budget challenges, the district remains in a sound financial position and in compliance with board policy. The district continues to offer exceptional programs and resources to our students, our class-size ratios are excellent and we continue to provide our learners with a uniquely personal, highly engaging experience.

Budgetary and Internal Controls

The School District's Board of Education maintains a system of budgetary and internal controls designed to assist management in meeting its responsibility for reporting reliable information. The system is designed to provide reasonable assurance that assets are safeguarded and transactions are recorded and executed with management's authorization. Internal control systems are subject to inherent limitations with regard to the necessity to balance cost against the benefits produced. Management believes that the existing system of budgetary and accounting control provides reasonable assurance that errors or irregularities that could be material to the financial statements are prevented or would be detected within a timely period. The School District utilizes a functional budget that is prepared according to the guidelines and requirements set forth in state law and the *State Financial Reporting Manual*.

During the fiscal year, monthly disbursement and financial reports are provided to the Board of Education for the budgetary funds, which includes an overview by function with budget, current year-to-date activity, encumbrances, and percent of budget for revenue and expenditures. Additional detail is provided within each function, including salaries, employee benefits, purchased services, repairs and maintenance, supplies and materials, capital outlay, other and transfers. In addition, similar budget reports are readily accessible to all budget owners, including the ability to drill into the activity and supporting detail electronically, at any time.

The report of the School District's independent certified public accountants, Plante & Moran, PLLC, appears on pages 1-2 of this report. Their audit of the basic financial statements was performed in accordance with generally accepted auditing standards and *Government Auditing Standards* and, accordingly, included a review of the Board of Education system of budgetary and accounting controls.

Capital Projects

During the summer of 2020, voters approved a \$200.155 million bond for use district-wide to re-imagine the spaces in which our students learn, including flexible and adaptable spaces, preparing students for a future we cannot imagine. See further details provided in the *Major Initiatives and Future Programs* section.

Additional funding for capital projects is provided by a sinking fund millage first approved by voters in 2004 for 1.5000 mills for 10 years through fiscal year 2013-2014. In the fall of 2010, voters approved a five-year renewal of the sinking fund millage at .7400 mills for five years which began in fiscal year 2014-2015. The sinking fund millage is subject to the Headlee rollback factor under the Headlee Amendment that requires a rollback in the rate if the amount of tax revenue exceeds the prior year by the lesser of inflation or five percent. After the rollback, the sinking fund millage rate for the last year levied, 2017-2018, was .7165. Use of the sinking fund millage revenue has been limited to the construction and repair of school buildings until new legislation was enacted in March 2017 expanding the allowable uses to include school security improvements, and the acquisition or upgrading of technology. Since prior voter-approved sinking funds were not made eligible for this expanded use, the School District requested a replacement of the existing authority be authorized for .7165 mills, for a period of six years, 2018-2019 to 2023-2024, which was approved in May 2018. This millage rate for the fiscal year 2021-2022 was 0.7036 and generated \$2.9 million. Projects are prioritized based on need and a small amount is set aside for emergencies during the year. Most of the sinking fund projects take place during the summer months.

The Capital Equipment Fund was established in 2014 to segregate funding and spending related to capital needs not related to building improvements, including costs not allowable under the Sinking Fund law. Prior to the establishment of the Capital Equipment Fund, capital replacements and other capital needs were direct expenditures of the General Fund and fluctuated from year to year. With the Capital Equipment Fund, a consistent amount is budgeted and approved as a transfer from the General Fund to the Capital Equipment Fund. The transfer is considered a type of expenditure and, therefore, part of the Board approved General Fund budget. As part of the annual budget development and approval process, long-term capital needs are reviewed and compared to the funds available in the Capital Equipment Fund. The available funds in the Capital Equipment Fund will be assessed against replacement schedules for our various capital items, including vehicles, buses, technology, furniture and equipment. The passage of the 2020 Bond Proposal will relieve some of the pressure on the Capital Equipment Fund for a certain period of time since technology, furniture, and equipment is part of the bond program.

Economic Conditions and Outlook

This section provides a brief discussion of the economic and legislative factors that impact the financial health of Bloomfield Hills Schools and the School District's response to manage its revenue and control its operating costs. The discussion will include the major initiatives undertaken by the School District to better serve the community and achieve sound financial management.

The School District enjoys a solid economic base. Total taxable value for all real and personal property was \$4.080 billion for fiscal year 2021-2022 compared with \$3.978 billion for fiscal year 2020-2021. Taxable value has increased \$102 million, or 2.56 percent. Taxable value for fiscal year 2021-2022 amounts to \$764,305 per full-time equivalent student. Principal residence taxable value accounts for \$3.310 billion, while non-principal residence taxable value accounts for \$728 million. The tax base is predominantly residential, with just almost 18 percent of real property classified as non-principal residence because these properties are not the principal residences of the owners. The nonresidential segment of the tax base is light commercial in nature, consisting of a broad mix of professional services and retail business.

Beginning March 2020, when the COVID-19 pandemic initially began, school funding factors have been uncertain, not predictable, and difficult to navigate, including enrollment. The funding outlook improved, including future state revenue forecasts; however enrollment has not returned to pre pandemic levels. For the fiscal year ended June 30, 2022, the School District received state funding for about 5,338 full time equivalent students, absorbing the full pandemic year enrollment loss that was deferred a year under the "super blend" calculation for the fiscal year ended June 30, 2021. Private funding is provided for approximately 33 non resident full-time equivalent students for total students served of approximately 5,371. The federal government initiated financial assistance early in the pandemic, with unique spending requirements that evolved and changed since March 2020, throughout the past couple of years with all funding spent or committed. After a flat foundation allowance for two years, a \$171 increase was enacted for 2021-22.

Looking forward, the enacted School Aid Fund budget for 2022-2023 includes a \$450 per pupil increase in the School District's foundation allowance with all schools at the same target foundation allowance of \$9,150 per pupil. After extremely positive state revenue projections, the 2022-2023 School Aid Fund includes significant increases for certain categorical funding, including at-risk and special education.

Funding

On March 15, 1994, Michigan voters enacted the current school financing plan, commonly referred to as Proposal A. The new school financing plan involved dramatic cuts in local school property taxes and a 50 percent increase in the sales tax. This completely changed the method by which schools received their funding. Proposal A took effect for the school fiscal year 1994-1995. Funding for public schools is now based on a system whereby each school district receives a specific amount of revenue for each enrolled pupil. This amount is called the "per pupil foundation allowance." Statewide, the revenue per pupil for fiscal year 2021-2022 was \$8,700, the first year that the funding gap closed between the lowest funded districts and the highest funded districts. The Michigan legislature determines the revenue amount for each pupil. In addition, some school districts are allowed to seek local voter approval to levy local taxes ("hold harmless millage") in order to maintain their pre-Proposal A revenue level. The core revenue budget for a school district is based on the number of students enrolled multiplied by the per pupil foundation allowance.

Under Proposal A, state sales taxes, rather than local property taxes, account for the largest portion of school financing. Therefore, the fortunes of school districts are tied to the general health of the Michigan economy. Each year the legislature establishes the amount of funding per pupil.

The funding is usually a fixed dollar amount. Until the funding gap closed, school districts with lower revenue per pupil receive a higher percentage change, while those with higher revenue per pupil receive a lower percentage change each year.

Since Proposal A took effect, the Michigan legislature enacted varying per pupil increases or in the case of an economic downturn, no change or decreases through prorations. Prorations do not permanently reduce the foundation allowance. Highlights over the years include:

- In 2009-2010, the legislature eliminated categorical funding referred to as “20j” that amounted to \$119.25 per pupil for the district.
- During fiscal year 2011-2012, the legislature enacted a reduction in the foundation allowance of \$470 per pupil. This reduction coupled with the elimination of “20j”, brought the total loss in funding to close to \$600 per pupil as of 2011-2012.
- The legislature enacted a \$175 per pupil reduction during 2019-2020 due to the negative impact on COVID-19 on the State’s revenue.
- During 2021-2022 the legislature closed the funding gap and all school districts received \$8,700 per pupil target foundation allowance. In addition, those impacted by the elimination of 20j categorical funding were made whole with categorical funding through 20m. This resulted in a shift of foundation allowance funding from local taxpayers for the hold harmless millage amount per pupil to being state funded.
- Subsequent to year-end, for the 2022-23 fiscal year, the target foundation allowance per pupil increased by \$450 to \$9,150.

Financial Forecast

From fiscal years 1995 through 2022, the School District had an average annual growth in per pupil revenue of .74 percent compared with the Gross Domestic Product Deflator for State and Local Government purchases of 4.33 percent during the same 27 year period under Proposal A. While Proposal A is intended to narrow the funding gap between districts with the lowest per pupil revenue and the highest per pupil revenue, funding growth that does not keep pace with inflation diminishes the purchasing power of districts with a higher per pupil revenue that results in budget reductions to balance the budget. Since Proposal A, the lowest funded districts averaged increases of \$167 per pupil annually compared to Bloomfield’s \$77 annually. This restrictive revenue growth trend ended with the 2021-2022 School Aid Fund budget that funds all school districts consistently with the same target foundation allowance per pupil of \$8,700 with a \$450 increase to \$9,150 for 2022-2023. The high tax base of the School District does not translate into solid growth in operating revenues due to the fact that the school funding formula provides a fixed dollar amount to each enrolled pupil.

Bloomfield Hills Schools ranks among the top in per pupil revenue for school districts in Michigan. As such, the School District receives the lowest percentage increase in the state. This is due to the fact that the legislature appropriates a flat dollar increase to all school districts, rather than a percentage increase. Also, while the School District has faced some declining pupil enrollment years ago due to the low mobility rate of the community and the scarcity of undeveloped land, the recent sale of District properties to residential developers is expected to have a positive impact on future enrollment. Overall, the State’s funding methodology presents challenges with the limited ability for the District to increase funding. In addition, state mandated retirement costs continue to increase. The School District responds by continuously reviewing and updating a list of budget balancing actions, with a short-term and long-term view that coincides with a multi-year financial forecast. The budget balancing actions include ways to enhance revenue, reduce costs

through attrition, streamlining of operations, or other opportunities. The focus is on students and, if necessary, implementing actions that minimize the impact on teaching and learning.

Bloomfield Hills Schools seeks to maintain or increase enrollment by the following means: encouraging residents to choose the School District, attracting nonresidents to the School District, and maintaining and developing innovative programs to meet the diverse needs of students and families. The School District is one of several choices for its residents. Other choices include nonpublic schools, home schooling, and other school districts. School District staff provides service to each enrolled family or potential enrollee with the full knowledge that each resident is important to the School District.

Nonresidents are attracted to the School District through our Nonresident Tuition Program, the first of its kind in Michigan. This program had approximately 33 nonresident pupils enrolled for the 2021-2022 school year, its twenty-fifth full year of operation. This program has been the source of much needed revenue growth for the School District, while at the same time, permitting much more efficient use of facilities and staff. In addition, children of nonresident employees are allowed to attend school as residents of the School District under a new law that took effect beginning with the 2004-2005 school year. A total of 100 children of employees were enrolled, bringing the total nonresident enrollment to 133, and contributing to the School District's overall enrollment.

Improved programs are developed to meet the diverse needs of the School District's population and stabilize enrollment. At the high school level, nontraditional options include Bowers Academy, which became a schools of choice program during 2021-2022, and the International Academy Consortium as discussed earlier in this report. Bloomfield Hills High School offers an opportunity to take college prep classes in a personalized, empowering environment at Model Center. These options have fulfilled the needs of students who otherwise might have left the School District to exercise other choices.

The School District's budget controls are designed to ensure that the School District will spend within the limits of available revenue and in compliance with Board Policy. Recent years were close to break even with ending fund balance percentages exceeding board policy levels. The ongoing budget balancing actions approach to cost management has been a proactive one and continues knowing recent COVID related funding is one-time. Systematic cost reductions have been planned and implemented as necessary. The School District expects sound and efficient cost management from individual department heads on an ongoing basis.

Major Initiatives and Future Programs

Bond Program - School District voters approved a \$200.1 million bond proposal in August 2020 that includes new and renovated facilities and learning environments that are educator-driven, ensuring that teachers have a direct impact in designing student-centered schools. While the bond program is expected to span about six years, significant reconfiguration will be completed by the first day of school in the fall of 2023.

From a bond program facility standpoint, the following reconfigurations will occur:

- Two middle schools will serve students in grades 6-8, including North Hills Middle School on the current Lahser site and South Hills Middle School in the newly renovated Bloomfield Hills Middle School.
- Four elementary schools will serve students in grades K-5, including: Lone Pine relocated to the newly renovated West Hills Middle School, Eastover relocated to the newly renovated East Hills Middle School, Conant and Way with new additions and renovations.

- Bloomin' Preschools will be located at an expanded Conant Elementary School and remodeled Eastover building.

Among some of the features planned for both North Hills and South Hills Middle Schools are re-designed parking lots and drives to facilitate bus and car movement; front vestibule areas to ensure safe and secure entry into the buildings (includes elementary buildings); remodeled gymnasiums and new performing arts spaces; new STEAM spaces; expanded athletic facilities; the addition of many common spaces for collaborative learning; new and improved technology infrastructure; multiple outdoor classroom spaces at each middle school; and media centers serving as a central hub of the buildings. Each grade will have at least eight class spaces, with some removable walls to allow for flexible classes. These grade-wide Learning Communities mirror the Learning Communities that exist at Bloomfield Hills High School.

Also fundamental to the new architecture, special education will be prioritized in the designs of the two middle schools. Special education classrooms will be centrally located in the buildings, allowing students to gain easier access to all classrooms. Additionally, support services including counseling offices, social work, OT/PT and speech pathology will be embedded in special education and general education learning spaces in both buildings. We are also incorporating exercise rooms that will be utilized for age-appropriate sensory input. Accessibility is integrated into all student spaces.

In addition, a pool would be included in the Bloomfield Hills Middle School North building. This pool would have community operating hours for recreational swim.

Upgrades to security, infrastructure, and technology will occur at Wing Lake Developmental Center, Booth Center and the Traub building that is currently home to International Academy.

Johnson Nature Center and Bowers School Farm have been community gems for decades and both enhance the learning experiences of our students. Both locations will receive enhancements. The Farm has not been flexibly open to the public. As part of the planned bond projects, the Farm would receive upgrades that would enable residents to enjoy the space as a public park, which is something the community has expressed an interest in. As part of the bond planning, both the Farm and Nature Center are engaging a broad group of stakeholders in a strategic and master planning process with a long-term view through 2027.

Transportation will be relocated on the East Hills Middle School property away from residential homes, close to the railroad tracks. The Physical Plant Services office and maintenance operations will relocate to the current Transportation location. A STEM Career Exploration Facility featuring multiple collaborative spaces, a shop environment, and competition field areas to accommodate STEM-focused clubs and activities for students in grades K-12 is planned.

Concurrent with the bond projects, a committee and administrative task-force was formed to formulate a recommendation to the Board of Education regarding attendance boundaries, which was completed last year. The recommendation will balance enrollment at approximately 550 students at each of the four elementary schools spanning between grades K-5. It also includes balancing enrollment at approximately 600 students at each of the two middle schools between grades 6-8.

The latest bond program updates are available on the District's website at <https://www.bloomfield.org/bond-information/bond>.

Master Property Plan - During 2014, Bloomfield Hills Schools engaged the community in a Master Property Planning (MPP) process that spanned a few years. The process was conducted in the overall context of the district's anticipated programming needs, enrollment trends, building

capacities, and physical plant needs. The MPP process concluded with Board approval to demolish both the former Pine Lake Elementary building and the former Hickory Grove Elementary building. Proposals were requested and received during the 2015-16 school year for the sale of the Wabeek vacant parcel and the former Hickory Grove Elementary site. The Board approved the sale of the Wabeek vacant parcel and the former Hickory Grove Elementary site to residential developers in 2016. Both sales were finalized during 2017-2018. The Hickory Grove sale included a land contract for the second phase of the development where proceeds were received during the 2020-2021 fiscal year. Remaining is a net profits component that will be finalized when all development is complete, expected by 2024.

The overall focus of the MPP process is on creating opportunities for the future while also optimizing building utilization and reducing the infrastructure burden on the district. The process included an Advisory Committee of internal and external stakeholders, welcomed creative ideas and the discovery of mutually beneficial partnerships that benefit the district and community as a whole.

Independent Audit

Plante & Moran, PLLC, Certified Public Accountants, audited the School District's financial statements as of June 30, 2022. Their audit was made in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*. The financial statements fairly present the financial position of Bloomfield Hills Schools at June 30, 2022. Their audit also included the single audit on federal financial assistance programs, which is published under separate cover. A copy of the single audit report is available on the district's website under transparency reporting.

Excellence in Financial Reporting

The School District is committed to providing its citizens and other users with comprehensive financial reporting. For school districts meeting the requirements of an Annual Comprehensive Financial Report, the Association of School Business Officials International (ASBO) awards a Certificate of Excellence in Financial Reporting. The School District received its twenty-second consecutive Certificate of Excellence in Financial Reporting from the ASBO for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021.

In order to be awarded a Certificate of Excellence, a governmental unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report whose contents conform to program standards. Such reports must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Excellence is valid for a period of one year only. We believe our current report conforms to program standards and we are submitting our report to ASBO to determine its eligibility for this certificate.

Acknowledgements

The preparation of this report on a timely basis could not have been accomplished without the effort and dedicated services of the entire Finance Team. We would like to express our appreciation to all members of this team for their participation in preparing this report. We also express our appreciation to other departments and individuals who assisted in the preparation of this report. Additionally, we thank the audit staff of Plante & Moran, PLLC for their assistance.

Sincerely,

Karen Hildebrandt

Karen Hildebrandt, CFO
Director of Finance

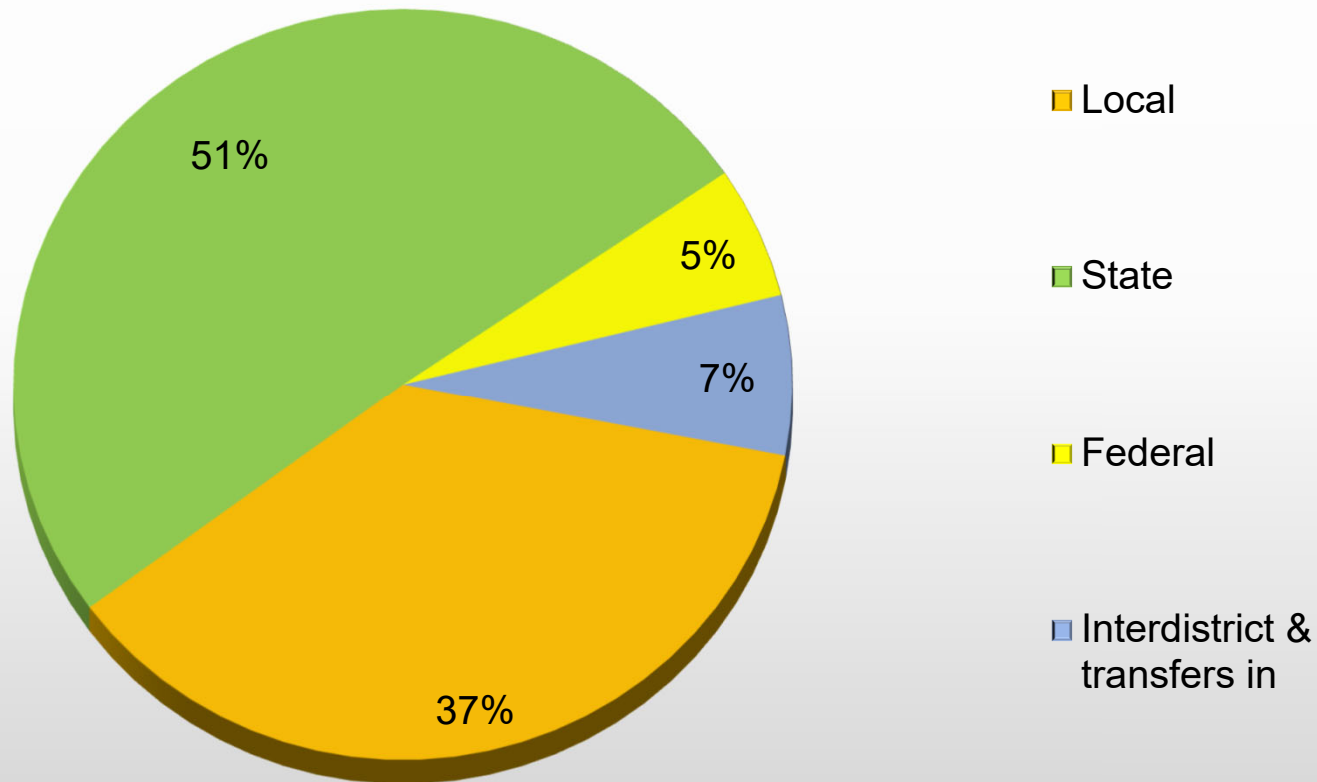
Christina M. Kostiuik

Christina M. Kostiuik, CPA, CFO
Assistant Superintendent for Finance & Operations

Pat Watson

Patrick Watson
Superintendent

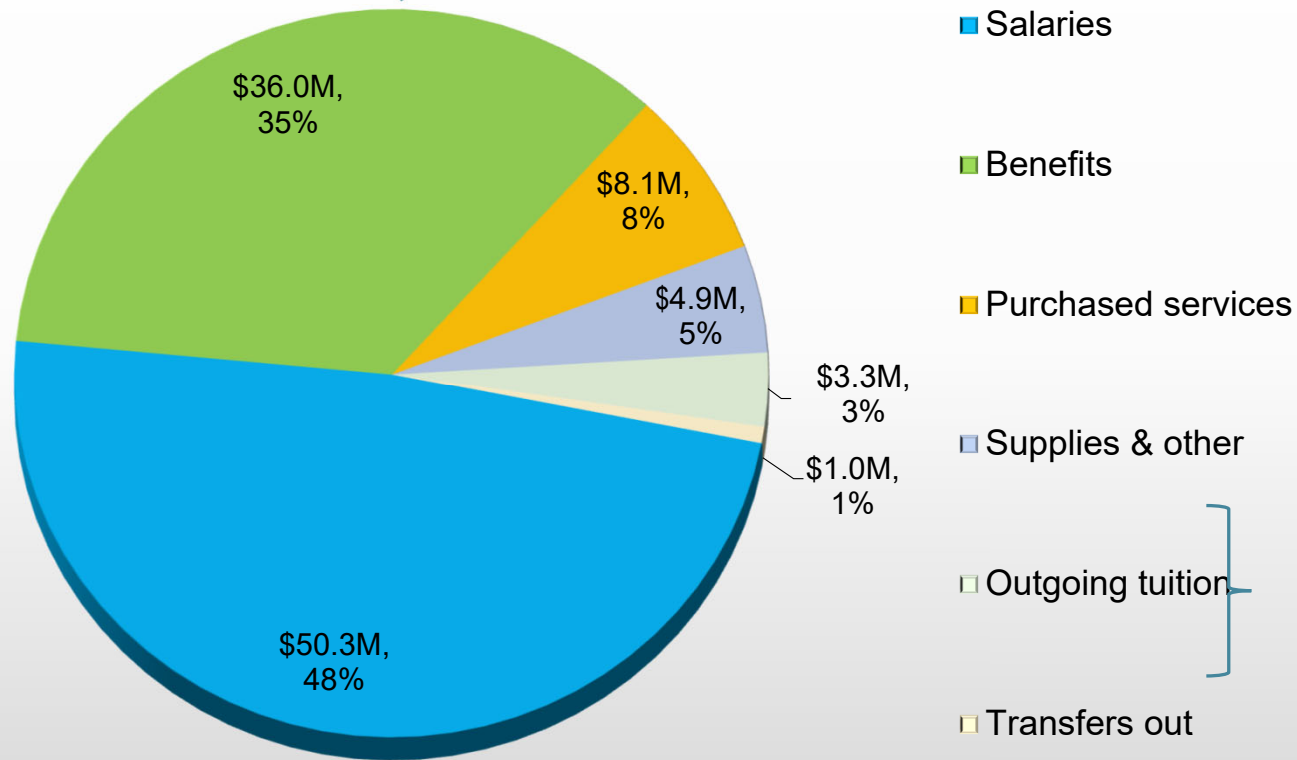
Bloomfield Hills Schools General Fund Revenue Analysis by Source Year Ended June 30, 2022



The per pupil Foundation Allowance is funded both locally, through non-homestead and hold harmless operating taxes, and by the State School Aid Fund. Approximately \$67 million, or 66% of total revenue represents the per pupil Foundation Allowance funding.



Bloomfield Hills Schools General Fund Expenditures Analysis by Object Year Ended June 30, 2022



Outgoing tuition details:

- BHS students attending IA, \$1.3M
- BHS students attending Wing Lake/DHH, \$736K
- BHS students attending other district special education programs, \$1.0M

Of the total \$103.6M expenditures, the largest cost is staffing, totaling about \$86.3 million, which comprises around 83% of total General Fund expenditures. Contracted staffing comprises another \$2.9 million, about 2.8% of total expenditures.



Cumulative Foundation Allowance Changes Compared to Consumer Price Index Since 1994/95

	Fiscal Yrs:														
Foundation allowance history	1994/95	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Minimum foundation	\$ 4,200	\$ 7,316	\$ 7,162	\$ 7,146	\$ 6,846	\$ 6,966	\$ 7,026	\$ 7,126	\$ 7,391	\$ 7,511	\$ 7,631	\$ 7,871	\$ 8,111	\$ 8,111	\$ 8,700
Increase (decrease)		112	(154)	(16)	(300)	120	60	100	265	120	120	240	240	-	589
Percent change		1.55%	-2.10%	-0.22%	-4.20%	1.75%	0.86%	1.42%	3.72%	1.62%	1.60%	3.15%	3.05%	0.00%	7.26%
Minimum Cumulative % Change		74%	71%	70%	63%	66%	67%	70%	76%	79%	82%	87%	93%	93%	107%
Basic foundation allowance	\$ 5,000	As Proposal A narrowed the funding gap, 3 levels of foundation allowance became 2 levels in 2008.													
Maximum foundation	\$ 6,500	For 2021-22, the funding gap was closed. All districts are funded at a Target Foundation of \$8,700, exclusive of hold harmless amounts.													
Bloomfield Hills Schools (BHS)	\$ 10,454	\$ 12,443	\$ 12,170	\$ 12,154	\$ 11,854	\$ 11,854	\$ 11,884	\$ 11,934	\$ 12,004	\$ 12,064	\$ 12,124	\$ 12,244	\$ 12,364	\$ 12,364	\$ 12,535
Increase (decrease)		56	(273)	(16)	(300)	-	30	50	70	60	60	120	120	-	171
Percent change		0.45%	-2.19%	-0.13%	-2.47%	0.00%	0.25%	0.42%	0.59%	0.50%	0.50%	0.99%	0.98%	0.00%	1.38%
BHS Cumulative % Change		19%	16%	16%	13%	13%	14%	14%	15%	15%	16%	17%	18%	18%	20%
GDP* Price Deflator (State & Local Gov)	56.6	92.0	94.0	97.1	99.3	102.6	105.3	105.8	105.5	107.6	111.9	114.6	116.2	120.5	122.7
Percent change		0.14%	2.13%	3.35%	2.19%	3.33%	2.64%	0.48%	-0.23%	2.00%	3.99%	2.37%	1.40%	3.74%	1.80%
Cumulative % Change		63%	66%	72%	75%	81%	86%	87%	87%	90%	98%	103%	105%	113%	117%

From fiscal years 1995 through 2022, the School District had an average annual growth in per pupil revenue of .74 percent compared with the Gross Domestic Product Deflator for State and Local Government purchases of 4.33 percent during the same 27 year period under Proposal A.



2021-22 BLOOMFIELD HILLS SCHOOL POINTS OF PRIDE

BHS DISTRICT-WIDE POINTS OF PRIDE

- During the 2021-2022 school year, Bloomfield Hills Schools launched its Therapy Dog program. Five dogs have been placed since September 2021, and you can now find Daisy, Paul, Ollie, Douglas, and Ace, spreading smiles and bonding communities across BHS. Including social emotional support dogs as part of our schools was an initiative that Bloomfield Hills Schools explored for several months, coordinated by our Director of Special Education, Jennifer Perrone, and our Director of Instructional Equity, Margaret Schultz.
- Coordinated by the BHS Parent-Teacher Organization Council (PTOC) for the annual national Make a Difference Day, Bloomfield Hills Schools supported Gleaners Food Bank in October 2021. PTOs at each school held contests like change wars, offered school spirit or pajama days for donations, and encouraged their students to support the charitable cause with fantastic results. BHS donated \$6,729.26 in monetary funds, plus an incredible amount of non-perishable food and personal items.
- Bloomfield Hills Schools hired two additional school social workers in Fall 2021 to further enhance the district's goal to provide a setting for teaching, learning, and parent collaboration at its highest level.
- Bloomfield Hills Schools formed a learning partnership with Harvard's Project Zero Agency by Design and Edward Clapp, principal investigator at Project Zero, in developing the Strategic Initiatives for Equity and Ingenuity. Teachers and administrators participated in a workshop guided by Clapp where they explored the activities and thinking routines of Agency by Design and learned how to implement these projects in their schools and classrooms.
- Bloomfield Hills Schools staff attended anti-bias training sessions as part of Professional Development Days. The virtual training was provided by the Anti-Defamation League, which has been partnering with BHS on becoming "No Place for Hate" schools.
- Two programs, Mental Health First Aid and SafeTalk, have been introduced to staff members at Bloomfield Hills Schools to share potential warning signs of a student in emotional distress and provide ways to provide additional support or immediate intervention.
- The BHS Parent-Teacher Organization Council (PTOC) hosted the fourth annual district-wide Multicultural Celebration at BHHS, highlighting the theme of art around the world. Around 30 exhibits and 8 performances were enjoyed by 600 people total.
- In honor of Black History Month, Bloomfield Hills High School hosted a viewing site for the Oakland Schools African-American Read-In, which was also viewable from students' homes via webinar. The multi-talented author-illustrator team of Andrea Davis Pinkney and Brian Pinkney inspired students and their families across Bloomfield Hills Schools during this virtual event.
- The Deaf and Hard of Hearing Program purchased a bundle of books for school libraries at Fox Hills, Eastover, East Hills, and BHHS. The books will enhance the level of representation and knowledge of Deaf and Hard of Hearing (D/HH) within the district in regards to deaf culture, deaf community, and deaf experience.

- The Association of School Business Officials International gave Bloomfield Hills Schools top honors for financial reporting for the 22nd year in a row. ASBO bestowed the Certificate of Excellence in Financial Reporting upon Bloomfield Hills Schools for its Fiscal Year 2021 Comprehensive Annual Financial Report.

BLOOMFIELD HILLS HIGH SCHOOL POINTS OF PRIDE

- Eight Bloomfield Hills High School students earned academic honors from the College Board's National Recognition Programs. The following recipients earned this recognition by excelling on their PSAT/NMSQT (National Merit Scholarship Qualifying Test), SAT, or AP exams, and held a GPA of 3.5 or higher: Xavier Green, Robin Igwe, Salome McCuen, Robert Newland, Elizabeth Nwagwu, Jaanaki Radhakrishnan, Bryce Washington, and Brigitte Zamor.
- BHHS had five National Merit Scholarship Semifinalists in 12th graders Toby Buckfire, Sophia Cao, Kevin Jia, Pooja Kannappan, and Cami Krugel.
- Bloomfield Hills Schools seniors Morgan Cook, Akshara Karthik, Abigail Kendal, and Jaanaki Radhakrishnan were named as semifinalists in the prestigious Coca-Cola Scholars program. Semifinalists are among the top 2% of more than 68,000 applicants and these students are out of 45 Michigan students to be named semifinalists. Cook, Karthik, and Kendal attend the International Academy (IA) and Radhakrishnan attends Bloomfield Hills High School. Radhakrishnan then went on to become a Coca-Cola Scholar, one of just 150 scholars selected from over 65,000 applicants from across the United States. The award includes a \$20,000 college scholarship.
- BHHS became the first Fair Trade School in Michigan. Three Bloomfield Hills High School seniors, Heather Chen, Michael Chen, and Zoey Lanesky, started working with the group Fair Trade Campaigns to get BHHS a Fair Trade Certified designation. There have been dozens of schools certified across the country, but not a single school certified in the state of Michigan until BHHS received this honor.
- Learning Community Libraries were established in the 9th and 10th Grade Learning Communities, showcasing a total of 100 book titles. Carefully curated by the Language Arts team, this initiative increases visibility and more access for books throughout the school building, to allow opportunities for students to access books wherever they are, in addition to the extensive collection in the BHHS Media Center.
- The Bloomfield Hills High School Marching Band received perfect scores at the annual Michigan School Band and Orchestra Association Festival. The BHHS field served as the location for the District IV Marching Band Festival for the third year in a row, hosting seven area high school bands.
- Bloomfield Hills High School and the Bloomfield Hills Schools English Language Development Department announced that BHHS 12th graders Samyia Almaajoon, Kenan Alsaghir, Ausfia Jannat, and Leen Said were awarded the Michigan Seal of Biliteracy. All students demonstrated Intermediate High proficiency on world language assessments.
- Students in a BHHS AP Language and Composition class created podcasts and entered the 2022 NPR Student Podcast Challenge. The creators of "The Two Sides of America: Needs vs. Wants" podcast won an Honorable Mention for their work on income disparity in America. NPR received 2,400 student entries, and this group's podcast is a top high school entry. The 11th

grade students who created this winning podcast include Azaan Ahmed, Zayd Humayun, John McCalmont, Julia Stakoe, and Nathan Thai-Tang.

- BHHS 10th graders Joele Ballouz, Michele Barnett, Nyla Holimon, Brooklyn Ramey, Bryan Randall, and Kaylah Walker developed a plan to host a Diversity Day Assembly illustrating how discrimination affects marginalized groups. The assembly was designed to educate the student body and bring awareness to bias within society, and the guest speakers represented various marginalized groups.
- The following BHHS students were selected as members of the 2022 Michigan School Band and Orchestra All-State Ensembles: Isabella Ashtari, 12th grade - Harp; Jonathan Shi, 12th grade - Violin; Henry Jackson, 11th grade - Violin; Minglu Jiang, 11th grade - Bass; Jimin Lee, 12th grade - Flute; Alexander Yen, 12th grade - Violin; Michael Chen, 12th grade - Oboe; Nikolas Simon, 9th grade - Violin; and Dylan Young, 12th grade - Trombone.
- The 2022 Tri-County High School Art Exhibition recognized 12 BHHS students. This very competitive exhibit is sponsored by the Wayne State University Department of Art and Art History. High school students from Wayne, Oakland, and Macomb Counties submitted a combined total of 180 pieces of artwork for adjudication. WSU professors selected 80 works to be featured in the exhibit. Bloomfield Hills High School did incredibly well, with 25 percent of the artwork in the exhibit from BHHS students. The 20 pieces of artwork on display were produced by the following student artists: Alexandria Balde, Mateo Bartlett, Ani Chervenkova, Elena Elias, Lucas Ewing, Ana Gutierrez Fernandez, Ava Janosz, Rebecca Louise-Ferdinand, Madison Mellanby, Sophie Scott, J. Cooper Smith, and Reia Tuazon.
- Scholastic Writing Awards recognized the following BHHS Students: Silver Key: Emily Abel (10th grade): Poetry, titled nefelibata; Honorable Mention: Minglu Jiang (11th grade): Personal Essay & Memoir, titled November 30th, 2021.
- Emma Salle (12th Grade) won the Future Farmers of America Award for a research project as part of the Agriculture, Food, and Natural Resources Pathway program. The project examined the impact of an animal's presence on the information retention and academic performance of third grade students at Lone Pine Elementary School. Salle made it to the state finals in the Social Science division and won a silver award.
- Chloe Beaney (11th grade) received the 2022 Stewart Scholarship in the Visual Arts. Beaney is active in the BHHS Theater program, working on prop design and technical projects. Beaney also was a Regional Scholastic Art Award Winner, receiving the Silver Key and Honorable Mention awards for digital art.
- Gavin Niblock (12th grade) was one of 15 players to be selected to Team Canada for the Under 19 Cricket World Cup. The tournament took place in the Caribbean in January 2022.
- Leena Jandali (12th grade) was named a 2022 recipient of the Daughters of the American Revolution Good Citizen Award. The award recognizes and rewards individuals who possess good citizenship qualities of dependability, service, leadership, and patriotism in their homes, schools, and communities.
- Former Bloomfield Hills High School student Maya Kridli won a 1st place award for the Drawing and Painting category for age group 16 and up. Maya created an abstract painting of a fish pond with trees in the background. The Ataxia Telangiectasia (AT) Friends and Family Art contest

hosted by Devine News featured dozens of AT warriors and their families from all over the U.S., Europe, and Australia.

- In Spring 2022, BHHS students in ninth grade received unique and inspirational lessons from community members during their Interdisciplinary Studies, History, and English classes. Families and community members from across Bloomfield Hills Schools were invited to share stories - ranging from personal stories of their families' immigration, to career paths, to powerful personal anecdotes - that were designed to inspire, educate, and motivate students.
- BHHS hosted its second year of the Global Education Team Book Club, composed of administrators, educators, and parents who share a passion for how literature can inspire and educate, and deepen cultural understandings.

BHHS Athletics Points of Pride

- A record 22 students signed athletic letters of intent with college programs across the country.

Fall 2021

- BHHS Boys Soccer won the League Championship in the Oakland Activities Association (OAA) Blue Division.
- BHHS Boys Tennis won the District and Regional Championships and captured second place at the State Finals
- BHHS Girls Cross Country teammates Kate Jenkins (12th grade) finished in 4th place and Grace Jenkins (12th grade) finished in 11th place at the Region 7-1 Championships which qualified the twin sisters for the MHSAA State Meet. The Division 1 race was held at the Michigan International Speedway where Kate finished 92nd with a time of 19:28:24 and Grace 210th with a time of 20:48:91. For the Boys Team, finishing in the Top 50 at regionals were Owen Replogle (11th grade) at 43rd and Noah Murray (9th grade) at 49th.
- BHHS Equestrian Team continued their winning streak with their three-peat (2019, 2020, 2021) as District Champions.
- BHHS Varsity Football was undefeated, finishing 9-0 and ending their season as League Champions. The team was named #1 in the state for Division 1 All-Academic Football Team.
- BHHS Girls Field Hockey, in just its third year of existence as a BHHS sport, made the Michigan High School Field Hockey Association Division 2 playoffs. Players Addy Bilkie (12th grade) and Charlotte Carleton (11th grade) were selected to the 2021 Michigan All-State Field Hockey Team.
- BHHS Girls Golf won the Regional Championship, then competed in Division 1 States where they finished 13th overall. Sydney Kennedy (12th grade) was named Honorable Mention All-State, Academic All-State, and 1st Team All-League. Esha Varchasvi (12th grade) was named 1st Team All-State, Academic All-State, and 1st Team All-League.
- BHHS Girls Swim and Dive sent four team members to the Division 1 State Championship meet where they placed 17th overall. Brooke Thompson (11th grade, International Academy) finished top 8 in the state 50 and 100 Freestyle events, earning all-state honors and breaking their own school record in the 50 and 100 Freestyle events. Demetra Bicos (10th grade) finished 14th in the state in the 500 Freestyle and also set a new school record in that event. The 400 Freestyle

Relay team of Meghan Hunt (11th grade), Bicos, Caley Pitts (11th grade), and Thompson finished 13th overall at the state meet with the most points scored by the girls since Lahser and Andover high schools merged.

Winter 2021-22

- BHHS Girls Basketball player Ruby Smith (10th grade) was named to the All-OAA White Team for Girls Varsity Basketball. Named Most Valuable Player at the awards banquet, Smith led the team in scoring and rebounding.
- BHHS Girls Gymnastics were District, League, and Regional Champions. Maeve Wright (12th grade) was not only Regional All-Around Champion, a finalist for Michigan Gymnast of the Year, and an Academic All-State, but also at the state meet was fourth for All-Around, second in Beam, and fifth in Floor. In addition, Chloe Gilcher (12th grade) qualified for all four events and finished 20th in the state. The state team also included Mia Bragman (9th grade) who competed on bars and Genevieve Orlewicz (11th grade) who competed in beam and vault. Katie Noettl (12th grade) competed injured and still set a personal best on the bars at the state meet.
- BHHS Girls Ice Hockey player Anjalica Singelyn (12th grade) was named co-Miss Hockey by the Michigan Girls High School Hockey League. Singelyn was also First Team All-State. Overall, the Girls Ice Hockey team finished 6th in the league.
- BHHS Boys Basketball finished the season as League champions. Carson Brodsky (12th grade), Ben Canty (12th grade), and Adamczyk (11th grade) were named to the All-OAA White Team, and Derrick Lee Jr. (11th grade) was named to the OAA White Honorable Mention Team. The team also received the state All-Academic award for a second year with an overall GPA of 3.7308.
- BHHS Boys Bowling player Jack Pollack (12th grade) finished 13th in the Boys MHSAA Division 1 tournament.
- BHHS Boys Ice Hockey were League Champions. Kyle Lucia (12th grade), Drew Speaks (12th grade), and Brandon Yaker (12th grade) were named to the Dream Team and as 1st Team All-OAA; Aidan Kelly (12th grade) and James Somero (11th grade) were named to 1st Team All-OAA; and Dominic Fava (12th grade) and Noah Roslin (12th grade) were named Honorable Mention.
- BHHS Boys Swim and Dive were League Champions and finished 9th at the State competition. The 400 Free Relay team of Oscar Jankowski (12th grade), Kevin Jia (12th grade), Bowie Cooper (11th grade), and Matthew Jia (12th grade) placed 13th overall at 3:16.79, while the 200 Medley Relay of Francisco Song (11th grade), M. Jia, K. Jia, and Jankowski finished 16th (1:39.41). Kevin Jia placed 2nd in the 200 IM (1:50.32) and 2nd in the 100 Butterfly (:49.68) which were both new BHHS school records. Matthew Jia finished third in the 200 IM (1:53.96) and 6th in the 100 Breaststroke (:58.96). Diver Liam James (12th grade) also finished on the podium at 16th overall (314.00).
- BHHS Boys Wrestling scored a school-best 24-1 record enroute to a league championship title. Team members Alan Spencer (11th grade) and Jordan Jones (12th grade) represented BHHS at the Michigan State Wrestling Championships..

- BHHS formed the Bloomfield Unified Basketball Team, which promotes inclusivity for students of all abilities. Unified sports are a growing initiative to bring together students with and without intellectual disabilities for the opportunity to engage in team-based activities together outside the classroom. Since October 2021, Bloomfield Unified has played games against other local high schools as part of a Special Olympics league in and around Oakland County.

Spring 2022

- BHHS Girls Softball player Hannah Grant (10th grade) smashed three home runs in a single game, setting a school record
- BHHS Girls Varsity Soccer won the Division 1 State Championship. Drew Martin (12th grade) was named to the All-State Dream team; Jenica Ophdal (12th grade), Martin, and Alice Spiegel (12th grade) were named to first team All State; Ava Badallo (12th grade) was named third team All State; and Estee Rosette (12th grade) and Avary Hall (11th grade) received Honorable mention. The BHHS Girls Junior Varsity A Soccer team also had a great season, going undefeated against all opponents.
- BHHS Rhythmic Gymnastics team members competed at the Level 9 Western Senior Regionals in Oakland, CA. Reese Renton (12th grade) finished in the top 25 and earned a trip to Nationals this June with a score of 85.450. Jana Todromovich (11th grade) finished 34th with a score of 80.550.
- BHHS Girls Varsity Tennis set a school record at the MHSAA State Championships with 2 State Finalists and 8 State Champions. State Champions were Carly Bernard (12th grade) and Danielle Herb (12th grade) at #1 Doubles, Noa Goldstein (12th grade) and Natalie Raab (11th grade) at #2 Doubles, Grace Bickersteth (12th grade) and Eryn Stern (12th grade) at #3 Doubles, and Ellie Alberts (12th grade) and Colleen Pettengill (11th grade) at #4 Doubles. The State Runners-Up were singles players Grace Shaya (12th grade, #3 singles) and Julia Yousif (10th grade, #4 singles).
- BHHS Girls Varsity Lacrosse was Regional champions and made it all the way to the Division 1 State Semi-Finals.
- BHHS Boys Golf Team finished 4th in the Regional Finals, just missing a state cut.
- BHHS Boys Varsity Lacrosse was Regional champions and went to the Regional Quarterfinal.
- BHHS Track and Field had several places during Regionals, including Evan Knox (12th grade) taking the title in both the 100m and 200m, Gabriella Jeffries (11th grade) finishing first in the Long Jump and the 400m, and Kate Jenkins (12th grade) crossing first in the 3200m, with all advancing to States. Additional state track qualifiers included the 4x100m relay team of Knox, Derrick Lee Jr. (11th grade), Jace Reed (10th grade), and Jeremy Salomon (9th grade). Jeffries and Knox had All-State finishes.

BHHS Extracurriculars

- The BHHS Forensics Team had a historic win at the recent Avondale Invitational. The team, coached by BHHS Teacher Danielle Tier, scored a record number of points. Reema Alahmadi, Caleb Bivens, Zach Frank, Leena Jandali, Cameron Klein, Lauren Kupelian, Wade Lockwood, Jack Meyer, Michaela Nash, Celine Washington, and Andrew Zupancic all took individual championships. The BHHS team came within 18 points of the state title, coming in 2nd in the state.
- Bloomfield Hills High School DECA team displayed their skills, ingenuity, and professionalism at the state championship where many students won awards. Gianna Divergilio (10th grade) and Robert Gaines (10th grade) were named best in the state in their events.
- Bloomfield Hills High School's CyberHawks team finished 2nd overall in the state of Michigan as part of the fall 2021 National Youth Cyber Defense Competition.
- BHHS students who were part of BHHS Troupe 8055 International Thespian Society attended the Michigan Theatre Festival in Lansing. More than 50 students participated in performances and technical workshops as well as competitions in various on/off stage categories. BHHS students not only won awards, but also received thousands of dollars in college scholarships, totaling nearly \$2 million.
- BHHS student Thomas Gormley (11th grade) was awarded the Young Mentor Award at a 2021 FIRST Robotics FTC State Championship event. The award recognizes the young adult who most clearly provides "support, impact, inspiration, and guidance" to a team. Gormley, who is part of the BHHS Bionic Black Hawks #2834 robotics team, mentored the Durfee Elementary (Detroit) Bulldogs.
- Bionic Black Hawks team captain Chloe Patterson (12th grade) and fellow female teammates led all aspects of the robotics team during the Fall 2021 Bloomfield Girls Robotics Competition (BGRC) at Bloomfield Hills High School. The competition, first held in 2015, is the only girls-only robotics competition this year in the state, and one of only a few in the whole country.
- Bloomfield Hills High School established a new Esports team during this school year. As a brand new team in the league, BHHS took two State Titles in both Super Smash Brothers and League of Legends.
- BHHS students Reuben (10th grade) and Julia (11th grade) Blumenstein are founders of KidsRead2Kids, which received a NYX Marcom Award. The award recognizes, celebrates, and honors creative excellence in marketing and communication across all facets of industries.
- BHHS student Yusuf Jamaledin (12th grade) worked to establish the nonprofit Muslim Community for Detroit. Jamaledin coordinated efforts to provide essentials and food to those in need at Hart Plaza and Rosa Parks Transit Center in Detroit on a monthly basis throughout the year. In partnership with the BHHS Muslim Student Association, students created fleece blankets to be distributed during the monthly visits to Detroit.

BHHS Traub Awards

- Art Winner: Amalia Liakonis (12th grade); Art Alternate: Isabella Brown (12th grade)
- Music Winner: Samantha Bekolay (12th grade); Music Alternate: Isabella Ashtari (12th grade)

BOWERS ACADEMY HIGH SCHOOL POINTS OF PRIDE

- Bowers Academy high school students taught kindergarten students from across Bloomfield Hills Schools to groom horses, milk goats, and even do a barn dance during their “Farmer for a Day” field trip visits to Bowers School Farm. The Bowers Academy students are part of a place-based curriculum that not only provides a high school education, but also explores all aspects of farm life, including observing animal behavior, attending to animal care, and actively investigating the environment.
- Bowers Academy students Molly Ryan (12th grade) and Ian Jatho (12th grade) proposed and helped institute a new independent study journalism class which included learning news writing, editing, photography, and design.

BHS MIDDLE SCHOOL POINTS OF PRIDE

- Bloomfield Hills Schools hosted the Oakland Schools’ STEMi mobile innovation station for 7th graders across all three middle schools.
- Middle School Media Center Specialist Laura Amatulli taught upper elementary students tricks on how to identify real news from fake news to help them prepare for their PYP presentations.
- Middle School runners Addison Herr (8th grade, BHMS) and Olivia Carlson (7th grade, EHMS) took the top two finishes at the COMSAC Middle School League Championship cross country meet in Fall 2021. Both times were personal records for the girls on the 2 mile Cranbrook Kingswood course in a field of 110 runners.
- Middle School students across Bloomfield Hills Schools received recognition for their writing from Scholastic. In Michigan, a total of 115 students earned awards. Regional Gold Key entries are automatically considered for national awards.
 - Gold Key Awards: BHMS: Saaj Aujla (8th grade, Neuwirth): Poetry, titled Still I Play; EHMS: Hannah Oh (8th grade, Lumsden): Flash Fiction, titled Mission Possible; BHMS: Katie Tadesse (8th grade, Blazis-Sloan): Short Story, titled When In Doubt
 - Silver Key Awards: BHMS: Katie Tadesse (8th grade, Blazis-Sloan): Flash Fiction, titled One Day; BHMS: Katie Tadesse (8th grade, Blazis-Sloan): Poetry, titled A Great Scintilla
 - Honorable Mentions: BHMS: June Campbell (8th grade, Neuwirth): Poetry, titled Poems by June Campbell; EHMS: Hannah Oh (8th grade, Lumsden): Flash Fiction, titled Life of a Pinata; BHMS: Sloane Schiller (8th grade, Neuwirth): Poetry, titled Sloane Schiller’s Poetry Collection
- Bloomfield Hills Middle School 8th grade French students, the Slammeurs, performed slam poetry at Little Caesars Arena before a Pistons game in March.
- East Hills Middle School Design and Tech students held deep discussions around empathy and helping others, then decided to base many of their final projects on spreading positivity, including the creation of the Positivi-Tree. This project was placed in the middle of the school so that anyone could partake in the positive affirmations.
- East Hills Middle School brothers Ryan (8th grade) and Colin Hunt (6th grade) took top 10 finishes at the COMSAC Middle School Boys League Meet and went home with medals.

- East Hills Middle School student William DeMeritt (7th grade) won third place in a national American Sign Language Poetry Contest. DeMeritt won in the category of Deaf Culture Storytelling for an ASL poem that DeMeritt created.
- East Hills Middle School 4th & 5th grade GEKOT Robotics team created a collision warning system that the Razor Scooter company optioned to patent. This gave the team the opportunity to continue working on a more powerful version to potentially use for city scooters.
- West Hills Middle School 8th graders combined FlipGrid and March Madness bracketology to learn about some of the most influential women in history during March for Women's History Month.
- West Hills Middle School continued their anti-bullying education for 6th and 7th graders with long-standing partner, Defeat the Label. After eight lessons, students culminated the program by sharing presentations on what they learned.
- West Hills Middle School eighth grade Spanish students attended the annual trip to MexicoTown to experience a day of Mexican heritage, including food, art, and shopping.

BHS ELEMENTARY SCHOOL POINTS OF PRIDE

- Conant Elementary was named a national Blue Ribbon School by the U.S. Department of Education. Conant was one of the 13 Michigan and one of the 4 Oakland County schools to be awarded a National Blue Ribbon School in 2021. The recognition is based on a school's overall academic performance. Conant received the nomination as an Exemplary High Performing School. As an International Baccalaureate Primary Years Programme school, Conant's success is guided by the mission to foster caring relationships and encourage academic excellence by empowering inclusive, open-minded inquiry and initiating responsible actions.
- Conant Elementary second graders learned about the properties of matter then constructed sun hats using everyday objects.
- Conant Elementary established a "Lunch Bunch" club to build a sense of belonging among the Black community.
- Conant Elementary hosted Grammy-nominated trumpeter, Kris Johnson, who connected a presentation to what the students had been learning in music class.
- Eastover first graders became pumpkin scientists, using the festive squashes to learn about their five senses, predictive reasoning, measuring, counting, the life cycle of a plant, and even some fun facts about canoes made from pumpkins.
- Eastover Media Specialist Cindy Livingston created a safe, fun, and interesting space for Black History month, welcoming students to explore important figures in history who were either overlooked or not understood.
- Eastover welcomed an Arab-speaking guest to read "The Very Hungry Caterpillar" during March is Reading Month, teaching the students new words such as "farasha", which means butterfly.

- Lone Pine Elementary 3rd graders spent a full day at the Johnson Nature Center learning about the history of indigenous people and tapping trees for sap.
- Lone Pine Elementary School received books from Pro Football Athlete Jeremy Hickey.
- Lone Pine Elementary Student Action Team created activities for fellow students to spread kindness.
- Way Elementary families celebrated their One School, One Book: “Life According to Og, the Frog” by hiking the Johnson Nature Center. Nature Center staff created informational sheets about frogs along the trail, to expand the learning about the book’s theme.
- Way Elementary received a visit from local firefighters who taught fire safety to the community.
- Way Elementary students read about Veterans Day and sent letters to veterans to thank them for their service.

PREP and WING LAKE DEVELOPMENTAL CENTER POINTS OF PRIDE

- PREP students participated in a residency with world-famous Detroit artist Hubert Massey and renowned photographer S. Kay Young collaborating on a mosaic mural. The 25-week program was made possible through a Michigan Art Access Artist-in-Residency, a program hosted by the non-profit organization promoting creativity, education, and accessibility to the arts for people with disabilities.
- PREP students used a robust PAES (Practical Assessment Exploration System) Lab at the Bloomfield Hills Schools Booth Center to help determine students’ employment potential by trying out various types of career areas. Students explored nearly 300 jobs to find out what skills they are good at and what they like to do. The lab is also used by students from the BHHS Special Education classes.
- PREP student Aman Mehta and Intervenor Brenda Bujold visited Lone Pine and West Hills Schools a total of four days a week to interact with and learn from therapy dogs. The value of the therapy dog program extends beyond the single school communities in which they’re placed; this collaboration with the PREP program is one example.
- PREP students aren’t just learning skills for future employment and independent living, they are vital participants in giving back to the surrounding community. The students have provided up to 1,800 volunteer hours per month to BHS, multiple charities, and local businesses.
- Wing Lake Developmental Center celebrated kindness and gratitude in intentional ways during November and December 2021. Inspired by World Kindness Day, along with Thanksgiving and the holiday season, students and staff at Wing Lake participated in a number of kindness-themed activities. Wing Lake joined with the international organization Kids for Peace to build a 110+ mile inspirational paper-chain to set a Guinness Book of World Records record of the longest chain.
- Wing Lake organized a massive collection of clothing and other items for Ukrainian families. The school typically does a few donation drives each year, and Teacher Jessica Shuler identified UCARE (Ukrainian Children’s Aid Relief Effort) as a great way to help others in need.

BOWERS SCHOOL FARM AND JOHNSON NATURE CENTER POINTS OF PRIDE

- Elementary and middle school students across Bloomfield Hills Schools resumed field trips that help make real-world connections to learning. Both Bowers School Farm and the E. L. Johnson Nature Center, owned and operated by Bloomfield Hills Schools, hosted busloads of students who spent part of their day gathering information that extends the classroom experience. The Farm and Nature Center guides design field trips that connect to classroom curriculum.
- The Johnson Nature Center partnered with Art Teacher Pennie Ellis for a new place-based STEAM project that brought both authentic learning and community components to the student experience. Second grade students and their classroom teachers visited the Nature Center and then did printmaking in their art class with Ellis. Those art prints were displayed in the main lobby of the Visitors Center at the Nature Center.

STAFF POINTS OF PRIDE

- Two BHS Teachers were nominated as Oakland County Outstanding Teacher of the Year: Liza Lauter (BHHS) and LaTonya Darling (Way Elementary School). Oakland Schools Educational Foundation hosts The Oakland County Outstanding Teacher of the Year Awards annually to honor and reward Oakland County teachers who have achieved the highest standards of excellence in their profession.
- Marianne Romsek, Food Service Director, won ARAMARK's Innovation in Sustainability Award for the Midwest region.
- Cindy Jewel and Chuck Grace in the Bloomfield Hills Transportation Department received the Oakland ISD Excellence in Transportation Award. Each year Oakland Schools awards transportation employees from each district for their outstanding service.
- MAME, the Michigan Association for Media in Education, recognized two BHS staff members: Klaudia Janek (IA-Okma Campus) was awarded the Ruby Brown Award for Individual Excellence. Cindy Zervos (Way Elementary School & East Hills Middle School) was awarded the MAME Mentor Award.
- Wing Lake Occupational Therapist Kim Martus was highlighted on 3E Love social media accounts as an exceptional Occupational Therapist.
- BHHS History teacher Kathleen Small was presented with the University of Chicago's 2021 Outstanding Educator award.
- BHHS Wrestling Head Coach Tony Scigliano received the Regional Coach of the Year Award.
- During the Michigan Interscholastic Forensic Association Individual Events State Tournament, Danielle Tier was presented with the Diana Rose Award for 2021-2022. Tier is a BHHS teacher and coaches the award-winning Forensics Team.
- Jessica Lupone, BHHS Associate Principal, was named one of only three 2023 Assistant Principal of the Year finalists in the state of Michigan. The Michigan Association of Secondary School Principals partners with the Michigan Association of Student Councils and Michigan Association of Honor Societies to select the 2023 Assistant Principal of the Year.

- Bloomfield Hills High School Girls Swimming Coach David Zulkiewski was recognized with the Matt Mann Award by the Michigan Interscholastic Swim Coaches Association (MISCA) for decades of exemplary contributions.
- Each year the Detroit Jewish News celebrates 36 noteworthy individuals who are making a difference in the Metro-Detroit Jewish community. In Winter 2022, among the 36 unique and diverse individuals, Alan Posner, BHHS Band Director, was recognized.
- BHMS Learning Specialist Jennifer Ostheimer received a large collection of diverse books from a \$1,000 grant funded by the Connie and Tom Barr Classroom Library at Oakland University.
- Lone Pine Secretary Kim Bilkovic was named the Annual Region 7 Outstanding Education Support Staff of the Year. This highest honor award is given to those who are the best in MEA for the Region in all of the attributes that constitute a great support staff member, including hard work, sincerity, and dedication towards colleagues and students.

BHS FOUNDATION POINTS OF PRIDE

- The BHS Foundation awarded 29 grants through its Lightning Grant program to support staff and students. Each school across BHS received awards, with grant projects including technology tools, student manipulatives, diverse literature, guest speakers, STEM tools, musical instruments, learning games, field trips, outdoor/experiential learning equipment, social/emotional learning resources, and other unique learning opportunities.



**ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**

**The Certificate of Excellence in Financial Reporting
is presented to**

Bloomfield Hills School District

**for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2021.**

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'William A. Sutter'.

William A. Sutter
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis
Executive Director

Independent Auditor's Report

To the Board of Education
Bloomfield Hills Schools

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the major funds, and the aggregate remaining fund information of Bloomfield Hills Schools (the "School District") as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major funds, and the aggregate remaining fund information of the School District as of June 30, 2022 and the respective changes in its financial position and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the School District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS 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 judgment made by a reasonable user based on the financial statements.

To the Board of Education
Bloomfield Hills Schools

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplemental information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which 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 supplemental 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.

Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Bloomfield Hills Schools' basic financial statements. The other supplemental information, as identified in the table of contents, is presented for the purpose of additional analysis and is 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 other supplemental information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

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

To the Board of Education
Bloomfield Hills Schools

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 whether 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 October 27, 2022 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Plante & Moran, PLLC". The signature is written in a cursive, flowing style.

October 27, 2022

This section of Bloomfield Hills Schools' (the "School District") annual financial report presents our discussion and analysis of the School District's financial performance during the year ended June 30, 2022. Please read it in conjunction with the School District's financial statements, which immediately follow this section.

Using This Annual Report

This annual report consists of a series of financial statements and notes to those financial statements. These statements are organized so the reader can understand Bloomfield Hills Schools financially as a whole. The government-wide financial statements provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. The fund financial statements provide the next level of detail. For governmental activities, these statements tell how services were financed in the short term and what remains for future spending. The fund financial statements look at the School District's operations in more detail than the government-wide financial statements by providing information about the School District's most significant funds, the General Fund and 2020 Bond Fund, with all other funds presented in one column as nonmajor funds. The School District has also established a proprietary Internal Service Fund, primarily for compensated absences and self-insurance activity. The remaining statements, the statement of fiduciary net position and statement of changes in fiduciary net position, present financial information about activities for which the School District acts solely as an agent for the benefit of students and parents. This report is composed of the following elements:

**Management's Discussion and Analysis (MD&A)
(Required Supplemental Information)**

Basic Financial Statements

Government-wide Financial Statements

Fund Financial Statements

Notes to Financial Statements

Required Supplemental Information

Budgetary Information for Major Funds

Schedules of the School District's Proportionate Share of the Net Pension and OPEB Liabilities

Schedules of the School District's Pension and OPEB Contributions

Other Supplemental Information

In addition, the School District has added the introductory section and statistical section to complete its Annual Comprehensive Financial Report.

Reporting the School District as a Whole - Government-wide Financial Statements

One of the most important questions asked about the School District is, "As a whole, what is the School District's financial condition as a result of the year's activities?" The statement of net position and the statement of activities, which appear first in the School District's financial statements, report information on the School District as a whole and its activities in a way that helps you answer this question. We prepare these statements to include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. All of the current year's revenue and expenses are taken into account, regardless of when cash is received or paid.

These two statements report the School District's net position - the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, as reported in the statement of net position - as one way to measure the School District's financial health or financial position. Over time, increases or decreases in the School District's net position, as reported in the statement of activities, are indicators of whether its financial health is improving or deteriorating. The relationship between revenue and expenses is the School District's operating results. However, the School District's goal is to provide services to our students, not to generate profits as commercial entities do. One must consider many other nonfinancial factors, such as the quality of the education provided and the safety of the schools, to assess the overall health of the School District.

The statement of net position and the statement of activities report the governmental activities for the School District, which encompass all of the School District's services, including instruction, support services, community services, athletics, and food services. Property taxes, unrestricted state aid (foundation allowance revenue), and state and federal grants finance most of these activities.

Reporting the School District's Most Significant Funds - Fund Financial Statements

The School District's fund financial statements provide detailed information about the most significant funds, not the School District as a whole. Some funds are required to be established by state law and by bond covenants. However, the School District establishes many other funds to help it control and manage money for particular purposes (the Food Service and Community Services funds are examples) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (such as bond-funded construction funds used for voter-approved capital projects). The governmental funds of the School District use the following accounting approach:

Governmental Funds

All of the School District's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year end that are available for spending. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the operations of the School District and the services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the School District's programs. We describe the relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds in reconciliations.

Proprietary Funds

Proprietary fund reporting focuses on the economic resources measurement and an accounting method called full accrual accounting. The proprietary fund statements present a long-term view of operations and the services it provides to other funds. The School District established a proprietary fund, specifically the Internal Service Fund, to finance specific services provided to other funds of the School District on a cost-reimbursement basis. The specific services include health care, workers' compensation, accrued vacation pay, and termination pay.

The School District as Trustee - Reporting the School District's Fiduciary Responsibilities

The School District has certain fiduciary responsibility for its custodial funds. All of the School District's fiduciary activities are reported in a separate statement of fiduciary net position. We exclude these activities from the School District's other financial statements because the School District cannot use these assets to finance its operations. The School District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Bloomfield Hills Schools

Management's Discussion and Analysis (Continued)

The School District as a Whole

Recall that the statement of net position provides the perspective of the School District as a whole. The following table provides a summary of the School District's net position as of June 30, 2022 and 2021:

	Governmental Activities	
	2022	2021
	(in millions)	
Assets		
Current and other assets	\$ 139.3	\$ 149.2
Capital assets	171.4	135.7
Total assets	310.7	284.9
Deferred Outflows of Resources	40.2	57.0
Liabilities		
Current liabilities	25.7	18.1
Noncurrent liabilities	157.7	144.3
Net pension liability	140.6	205.3
Net OPEB liability	9.0	32.1
Total liabilities	333.0	399.8
Deferred Inflows of Resources	92.6	35.3
Net Position (Deficit)		
Net investment in capital assets	84.4	84.9
Restricted	6.4	3.1
Unrestricted	(165.5)	(181.2)
Total net position (deficit)	\$ (74.7)	\$ (93.2)

The above analysis focuses on net position. The change in net position of the School District's governmental activities is discussed below. The School District's net position was \$(74.7) million at June 30, 2022. Net investment in capital assets, net of related debt, totaling \$84.4 million compares the original cost, less depreciation of the School District's capital assets, to long-term debt used to finance the acquisition of those assets. Most of the debt will be repaid from voter-approved property taxes collected as the debt service comes due. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the School District's ability to use that net position for day-to-day operations. The remaining amount of net position (\$(165.5) million) was unrestricted.

The \$(165.5) million in unrestricted net position of governmental activities represents the accumulated results of all past years' operations. The unrestricted net position became negative after the implementation of pension-related GASB standards over the past few years. The operating results of the General Fund will have a significant impact on the change in unrestricted net position from year to year.

As required by the Governmental Accounting Standards Board (GASB), the School District adopted GASB Statement No. 87, *Leases*, as of July 1, 2021. This standard resulted in a single lease accounting model (except for short-term leases) whereby the net present value of the future lease payments is reported as both a lease asset and liability on the statement of net position. There was no effect on net position at July 1, 2021 as a result of adoption, as the lease assets were equal to the lease liabilities for lease agreements in place as of the adoption date. Further information regarding the lease asset and liability balances at June 30, 2022 is included in additional detail in the sections that follow. All school districts with a June 30, 2022 year end were required to adopt this new accounting standard.

Bloomfield Hills Schools

Management's Discussion and Analysis (Continued)

The results of this year's operations for the School District as a whole are reported in the condensed statement of activities below, which shows the changes in net position for the years ended June 30, 2022 and 2021:

	Governmental Activities	
	2022	2021
(in millions)		
Revenue		
Program revenue:		
Charges for services	\$ 10.8	\$ 8.3
Operating grants and contributions	46.1	36.9
General revenue:		
Taxes	46.9	48.4
State aid not restricted to specific purposes	33.0	32.8
Other	3.9	4.4
Total revenue	140.7	130.8
Expenses		
Instruction	61.1	68.3
Support services	42.4	45.5
Co-curricular activities	2.2	2.0
Food services	2.2	1.5
Community services	3.2	2.7
Debt service	4.3	3.7
Depreciation and amortization expense (unallocated - Excludes direct depreciation and amortization expenses of various programs)	6.8	6.6
Total expenses	122.2	130.3
Change in Net Position	18.5	0.5
Net Position (Deficit) - Beginning of year	(93.2)	(93.7)
Net Position (Deficit) - End of year	<u><u>\$ (74.7)</u></u>	<u><u>\$ (93.2)</u></u>

As reported in the statement of activities, the cost of all of our governmental activities this year was \$122.2 million. Certain activities were partially funded from those who benefited from the programs (\$10.8 million) or by other governments and organizations that subsidized certain programs with grants and contributions (\$46.1 million). We paid for the remaining public benefit portion of our governmental activities with \$46.9 million in taxes, \$33.0 million in state foundation allowance, and other revenue (i.e., interest and general entitlements).

The School District experienced an increase in net position of \$18.5 million. A primary driver for the change in net position is related to an increase in pandemic related funding of about \$9.2 million. In addition, the return to in-person services resulted in increased charges for services of about \$2.5 million. Expenses decreased overall by \$8.1 million since the prior year included nonrecurring pandemic costs.

As discussed above, the net cost shows the financial burden that was placed on the State and the School District's taxpayers by each of these functions. Since property taxes for operations and unrestricted state aid constitute the vast majority of district operating revenue sources, the Board of Education and administration must annually evaluate the needs of the School District and balance those needs with state-prescribed available unrestricted resources.

The School District's Funds

As we noted earlier, the School District uses funds to help it control and manage money for particular purposes. Looking at funds helps the reader consider whether the School District is being accountable for the resources taxpayers and others provide to it and may provide more insight into the School District's overall financial health.

As the School District completed this year, the governmental funds reported a combined fund balance of \$107.8 million, which is a decrease of \$21.2 million from last year. The primary reasons for the decrease are as follows:

In the General Fund, our principal operating fund, the fund balance decreased by approximately \$2.3 million to \$20.2 million. Fund balance of the General Fund is available to fund costs related to allowable school operating purposes, and a portion of the total fund balance is assigned for the subsequent year's budget.

The 2020 Bond Fund was established subsequent to voter approval of bonds totaling \$200.1 million. The first series of bonds totaling \$85.4 million were sold last year and an accelerated \$17.3 million during the year. The net decrease of \$20.6 million represents the net proceeds from the bond sale, less expenditures during the year related to planned bond projects.

The other nonmajor funds showed an increase in fund balance of approximately \$1.7 million. Several special revenue funds and debt service funds are included in this category, as described below:

The International Academy Fund had a decrease in fund balance of approximately \$109,000 as a result of increased costs and decreased enrollment offset by increased tuition.

The Center Program Fund had a decrease in fund balance of approximately \$337,000 related to planned use of reserves.

The Sinking Fund ended the year with an increase in fund balance of approximately \$697,000 as a result of revenue exceeding the amount of expenditures for planned capital projects during the year.

The Capital Improvements Fund had an increase in fund balance of approximately \$5,100 primarily due to increased investment earnings.

The Food Service Fund had an increase in fund balance of approximately \$909,000 due to increased federal program revenue related to the COVID-19 pandemic, which began in March 2020.

The Community Services Fund had an increase in fund balance of approximately \$59,000 as a result of offering a full year of recreation programs and expanded offerings.

The Co-curricular Endowment Fund increased its fund balance by approximately \$1,200 as a result of interest earnings.

The Debt Service Fund showed a fund balance decrease of approximately \$148,000 as planned for debt payments.

The Capital Equipment Fund had an increase in fund balance of approximately \$629,000 as a result of not having to replace buses due to the pandemic shutdown and virtual learning for a year.

The Hills Activities Fund had an increase of \$27,000 as a result of revenue exceeding planned use of resources.

General Fund Budgetary Highlights

Over the course of the year, the School District revises its budget as necessary for changes in revenue and expenditures. State law requires that the budget be amended to ensure that expenditures do not exceed appropriations. The final amendment to the budget was adopted in June 2022. A schedule showing the School District's original and final budget amounts compared with amounts actually paid and received is provided in required supplemental information in these financial statements.

A complete midyear budget amendment for the General Fund was adopted in February 2022. That revision included revenue increases of \$4.6 million related to additional federal grants. Expenditure changes from the original budget to the midyear budget included a net increase of approximately \$0.7 million related to planned grant expenditures. The final budget included increased funding related to the COVID-19 pandemic of \$1.6 million through state sources, \$1.3 million through federal sources, and \$0.15 million through interdistrict sources. Expenditures in the final budget included an increase related to increased inflationary costs covering supplies, utilities, and materials, along with purchases funded through grant sources.

Bloomfield Hills Schools

Management's Discussion and Analysis (Continued)

Actual activities in the General Fund resulted in final revenue being approximately \$1 million greater than amounts budgeted. The results are reflective of a state revenue update in grant allocations occurring in late June. In addition, other grant planned expenditures did not occur, resulting in actual final expenditures being approximately \$454,000 under budgeted amounts.

Capital Assets and Debt Administration

Capital Assets

As of June 30, 2022 and July 1, 2021, the School District had \$171.4 million and \$135.7 million, respectively, invested in a broad range of capital assets, including land, buildings, vehicles, furniture, equipment, and leased assets. This represents a net increase (including additions, disposals, and depreciation) of approximately \$35.7 million, or 37.7 percent, from 2021 to 2022, mostly attributable to the ongoing bond projects.

	Governmental Activities	
	2022	2021
Land	\$ 2,201,601	\$ 2,201,601
Construction in progress	47,119,843	6,201,631
Buildings and improvements	190,325,754	190,275,299
Furniture and equipment	12,318,172	12,260,277
Buses and other vehicles	6,658,711	6,539,841
Land improvements	13,198,250	12,970,492
Lease assets - Facility	257,128	-
Lease assets - Equipment	618,234	-
Total capital assets	272,697,693	230,449,141
Less accumulated depreciation and amortization	101,297,215	94,729,463
Total capital assets - Net of accumulated depreciation and amortization	\$ 171,400,478	\$ 135,719,678

This year's additions of \$42.2 million included land, vehicles, technology, building renovations, land improvements, and leased assets. In August 2020, voters approved a \$200.1 million bond proposal for use districtwide to reimagine the spaces in which our students learn, including flexible and adaptable spaces, preparing students for a future we cannot imagine. From a facility standpoint, there will be two middle schools serving students in grades 6-8 beginning in fall 2023 compared to the current three middle schools that serve students beginning in grades 4 or 5. In addition, four elementary schools will serve students in grades K-5. The bond proposal plans for two series, the first of which is about \$85.4 million in October 2020, and a portion of series two is \$17,325,000 in April 2022 to accelerate completion of certain projects. Capital spending will increase during the 2022-2023 fiscal year with the bond projects. It is expected that spending in the other capital funds will decrease slightly. We present more detailed information about our capital assets in the notes to the financial statements.

Debt

At the end of this year, the School District had \$139.9 million in bonds outstanding versus \$129.3 million in the previous year.

Those bonds consisted of the following:

	2022	2021
General obligation bonds	\$ 139,855,000	\$ 129,255,000

The School District's general obligation bond rating is Aa1, as affirmed by Moody's in March 2022. The State limits the amount of general obligation debt that schools can issue to 15 percent of the assessed value of all taxable property within the School District's boundaries. If the School District issues qualified debt (i.e., debt backed by the State of Michigan), such obligations are not subject to this debt limit. The School District's outstanding unqualified general obligation debt of \$139.9 million is significantly below this \$1.5 billion statutorily imposed limit.

Other obligations include accrued vacation pay, sick leave, and leases payable. We present more detailed information about our long-term liabilities in the notes to the financial statements.

Economic Factors and Next Year's Budgets and Rates

Our elected officials and administration consider many factors when setting the School District's 2022-2023 fiscal year budget. At the beginning of the COVID-19 pandemic, uncertainty made budgeting particularly challenging. Since then, additional funding sources became available and the State's revenue projections improved significantly, resulting in increased funding for the coming year.

One of the most important factors affecting the budget is our student count. The state foundation allowance revenue is determined by multiplying the blended student count by the foundation allowance per pupil. The 2022-2023 budget was adopted in June 2022 based on an estimate of students who would enroll in September 2022. The student foundation funding represents approximately 66 percent of the General Fund revenue. Under state law, the School District cannot access additional property tax revenue for general operations. As a result, district funding is heavily dependent on the State's ability to fund local school operations. Based on early enrollment data at the start of the 2022-2023 school year, we anticipate that the fall student count will continue to decline primarily due to a large graduating class in June 2022 and a much lower kindergarten enrollment based on recent historical trends. Once the final student count and related per pupil funding are validated, state law requires the School District to amend the budget if actual district resources are not sufficient to fund original appropriations.

Since the School District's revenue is heavily dependent on state funding and the health of the State's School Aid Fund, the actual revenue received depends on the State's ability to collect revenue to fund its appropriation to the School District. The State typically holds two revenue estimating conferences to estimate revenue. Based on the results of the most recent conference in the spring, the State estimates funds are available and exceeding earlier projections. A School Aid Fund budget was signed into law in July, with all districts at the same target foundation allowance per pupil since the gap in per pupil funding was closed during 2021-2022. The School District's increase in foundation allowance is \$450 per pupil.

Contacting the School District's Management

This financial report is intended to provide our taxpayers, parents, and investors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional information, we welcome you to contact the finance office at 7273 Wing Lake Road, Bloomfield Hills, MI 48301.

Bloomfield Hills Schools

Statement of Net Position

June 30, 2022

	Governmental Activities
Assets	
Cash and investments (Note 4)	\$ 35,699,879
Receivables:	
Accrued interest receivable	28,683
Accounts receivable	394,156
Due from other governmental units	17,957,025
Inventories	62,759
Prepaid costs and other assets	471,408
Restricted cash and investments (Notes 4 and 11)	84,747,011
Capital assets: (Note 7)	
Assets not subject to depreciation or amortization	49,321,444
Assets subject to depreciation or amortization - Net	<u>122,079,034</u>
Total assets	310,761,399
Deferred Outflows of Resources	
Deferred pension costs (Note 13)	28,773,831
Deferred OPEB costs (Note 13)	<u>11,401,949</u>
Total deferred outflows of resources	40,175,780
Liabilities	
Accounts payable	13,614,077
Accrued payroll-related liabilities	10,204,318
Unearned revenue (Note 6)	1,895,542
Noncurrent liabilities:	
Due within one year (Note 9)	9,080,200
Due in more than one year (Note 9)	148,615,517
Net pension liability (Note 13)	140,595,788
Net OPEB liability (Note 13)	<u>9,034,479</u>
Total liabilities	333,039,921
Deferred Inflows of Resources	
Revenue in support of pension contributions made subsequent to the report date	9,281,972
Deferred pension cost reductions (Note 13)	48,357,621
Deferred OPEB cost reductions (Note 13)	<u>34,930,363</u>
Total deferred inflows of resources	<u>92,569,956</u>
Net Position (Deficit)	
Net investment in capital assets	84,355,813
Restricted:	
Debt service	1,471,609
Capital projects	507,474
Sinking Fund	2,415,022
International Academy Fund	144,723
Food Service Fund	1,456,909
Co-curricular Endowment Fund	429,396
Unrestricted	<u>(165,453,644)</u>
Total net position (deficit)	<u>\$ (74,672,698)</u>

Bloomfield Hills Schools

Statement of Activities

Year Ended June 30, 2022

Functions/Programs	Program Revenue			Governmental
	Expenses	Charges for Services	Operating Grants and Contributions	Activities
				Net (Expense) Revenue and Changes in Net Position
Primary government - Governmental activities:				
Instruction	\$ 61,084,251	\$ 7,004,861	\$ 26,511,668	\$ (27,567,722)
Support services	42,386,227	406,490	16,791,389	(25,188,348)
Co-curricular activities	2,189,275	23,578	-	(2,165,697)
Food services	2,228,842	334,689	2,818,381	924,228
Community services	3,215,336	3,078,863	-	(136,473)
Interest	4,223,518	-	-	(4,223,518)
Other debt costs	96,147	-	-	(96,147)
Depreciation and amortization expense (unallocated)	6,793,273	-	-	(6,793,273)
Total primary government	\$ 122,216,869	\$ 10,848,481	\$ 46,121,438	(65,246,950)
General revenue (expense):				
Taxes:				
Property taxes levied for general purposes				32,829,911
Property taxes levied for debt service				11,205,513
Property taxes levied for capital projects				2,869,103
State aid not restricted to specific purposes				32,980,581
Federal grants and contributions not restricted to specific purposes				574,073
Interest and investment losses				(367,081)
Loss on sale of capital assets				(174,967)
Other				3,901,209
Total general revenue (expense)				83,818,342
Change in Net Position				18,571,392
Net Position (Deficit) - Beginning of year				(93,244,090)
Net Position (Deficit) - End of year				\$ (74,672,698)

Bloomfield Hills Schools

Governmental Funds Balance Sheet

June 30, 2022

	General Fund	2020 Bond Fund	Nonmajor Funds	Total Governmental Funds
Assets				
Cash and investments (Note 4)	\$ 17,633,382	\$ -	\$ 15,560,068	\$ 33,193,450
Receivables:				
Accrued interest receivable	28,683	-	-	28,683
Accounts receivable	388,865	-	5,291	394,156
Due from other governmental units	16,367,073	-	1,589,952	17,957,025
Due from other funds (Note 8)	424,640	-	-	424,640
Inventories	-	-	62,759	62,759
Prepaid costs and other assets	341,485	-	72,366	413,851
Restricted cash and investments (Notes 4 and 11)	-	79,427,061	5,319,950	84,747,011
Total assets	\$ 35,184,128	\$ 79,427,061	\$ 22,610,386	\$ 137,221,575
Liabilities				
Accounts payable	\$ 858,240	\$ 12,327,945	\$ 415,392	\$ 13,601,577
Due to other funds (Note 8)	-	-	424,640	424,640
Accrued payroll-related liabilities	8,922,390	-	324,729	9,247,119
Unearned revenue (Note 6)	1,072,992	-	822,550	1,895,542
Total liabilities	10,853,622	12,327,945	1,987,311	25,168,878
Deferred Inflows of Resources - Unavailable revenue (Note 6)	4,172,355	-	60,330	4,232,685
Fund Balances				
Nonspendable:				
Inventory	-	-	62,759	62,759
Prepaid costs	341,485	-	72,366	413,851
Restricted:				
Debt service	-	-	2,321,636	2,321,636
Capital projects	-	67,099,116	2,415,022	69,514,138
Food service	-	-	1,394,150	1,394,150
International Academy Fund	-	-	134,049	134,049
Co-curricular Endowment Fund	-	-	429,396	429,396
Committed - Student activities	-	-	1,230,566	1,230,566
Assigned:				
Subsequent year's budget	401,963	-	-	401,963
Community service	-	-	246,453	246,453
Center program	-	-	4,954,130	4,954,130
Capital projects	-	-	7,302,218	7,302,218
Unassigned	19,414,703	-	-	19,414,703
Total fund balances	20,158,151	67,099,116	20,562,745	107,820,012
Total liabilities, deferred inflows of resources, and fund balances	\$ 35,184,128	\$ 79,427,061	\$ 22,610,386	\$ 137,221,575

Governmental Funds

Reconciliation of the Balance Sheet to the Statement of Net Position

June 30, 2022

Fund Balances Reported in Governmental Funds	\$ 107,820,012
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets and lease assets used in governmental activities are not financial resources and are not reported in the funds:	
Cost of assets	272,697,693
Accumulated depreciation and amortization	<u>(101,297,215)</u>
Net capital assets and lease assets used in governmental activities	171,400,478
Receivables that are not collected soon after year end are not available to pay for current period expenditures and therefore are reported as unavailable revenue in the funds	4,232,685
Bonds payable including premium and deferred charges and lease liabilities are not due and payable in the current period and are not reported in the funds	(153,636,307)
Accrued interest is not due and payable in the current period and is not reported in the funds	(850,027)
Some employee fringe benefits are payable over a long period of years and do not represent a claim on current financial resources; therefore, they are not reported as fund liabilities:	
Severance-related liabilities	(1,938,702)
Net pension liability and related deferred inflows and outflows	(160,179,578)
Net OPEB liability and related deferred inflows and outflows	(32,562,893)
Revenue in support of pension contributions made subsequent to the measurement date is reported as a deferred inflow of resources in the statement of net position and is not reported in the funds	(9,281,972)
Internal service funds are included as part of governmental activities	<u>323,606</u>
Net Position (Deficit) of Governmental Activities	<u><u>\$ (74,672,698)</u></u>

Bloomfield Hills Schools

Governmental Funds

Statement of Revenue, Expenditures, and Changes in Fund Balances

Year Ended June 30, 2022

	General Fund	2020 Bond Fund	Nonmajor Funds	Total Governmental Funds
Revenue				
Local sources	\$ 37,302,578	\$ (494,419)	\$ 18,675,258	\$ 55,483,417
State sources	51,236,139	-	2,795,837	54,031,976
Federal sources	5,757,971	-	3,222,265	8,980,236
Interdistrict sources	6,895,474	-	12,864,631	19,760,105
Total revenue	101,192,162	(494,419)	37,557,991	138,255,734
Expenditures				
Current:				
Instruction	59,983,233	-	10,709,199	70,692,432
Support services	38,174,886	-	7,197,750	45,372,636
Co-curricular activities	2,428,213	-	-	2,428,213
Food services	-	-	2,228,842	2,228,842
Community services	1,690,303	-	1,888,868	3,579,171
Debt service:				
Principal	215,382	-	6,725,000	6,940,382
Interest	23,320	-	4,581,336	4,604,656
Other debt costs	-	96,147	-	96,147
Capital outlay	91,200	40,061,058	3,515,753	43,668,011
Total expenditures	102,606,537	40,157,205	36,846,748	179,610,490
Excess of Revenue (Under) Over Expenditures	(1,414,375)	(40,651,624)	711,243	(41,354,756)
Other Financing Sources (Uses)				
Face value of debt issued (Note 9)	-	17,325,000	-	17,325,000
Proceeds from sale of capital assets	-	-	56,937	56,937
Premium on debt issued (Note 9)	-	2,715,249	-	2,715,249
Transfers in (Note 8)	94,375	-	1,294,471	1,388,846
Transfers out (Note 8)	(1,000,471)	-	(388,375)	(1,388,846)
Total other financing (uses) sources	(906,096)	20,040,249	963,033	20,097,186
Net Change in Fund Balances	(2,320,471)	(20,611,375)	1,674,276	(21,257,570)
Fund Balances - Beginning of year	22,478,622	87,710,491	18,888,469	129,077,582
Fund Balances - End of year	<u>\$ 20,158,151</u>	<u>\$ 67,099,116</u>	<u>\$ 20,562,745</u>	<u>\$ 107,820,012</u>

Bloomfield Hills Schools

Governmental Funds Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances to the Statement of Activities

Year Ended June 30, 2022

Net Change in Fund Balances Reported in Governmental Funds	\$ (21,257,570)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; however, in the statement of activities, these costs are allocated over their estimated useful lives as depreciation and amortization:	
Capitalized capital outlay	41,830,615
Depreciation and amortization expense	(6,793,273)
Net book value of assets disposed of	(231,904)
Revenue in the statement of activities that does not provide current financial resources is not reported as revenue in the funds until it is available	4,232,685
Revenue in support of pension contributions made subsequent to the measurement date	(1,525,191)
Issuing debt, net of premiums and discounts, and entering into leases provides current financial resources to governmental funds but increases long-term liabilities in the statement of net position	(20,040,249)
Repayment of bond principal and lease liabilities is an expenditure in the governmental funds but not in the statement of activities (where it reduces long-term debt and lease liabilities); amortization of premium/discounts and inflows/outflows related to bond refundings are not expenses in the governmental funds	7,413,948
Interest expense is recognized in the government-wide statements as it accrues	(92,428)
Some employee costs (pension and OPEB) do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds	15,316,262
Internal service funds are included as part of governmental activities	(281,503)
Change in Net Position of Governmental Activities	<u><u>\$ 18,571,392</u></u>

Bloomfield Hills Schools

Proprietary Fund Statement of Net Position

June 30, 2022

Internal Service
Fund

Assets

Current assets:

Cash and investments (Note 4)

\$ 2,506,429

Prepaid costs and other assets

57,557

Total assets

2,563,986

Liabilities

Current liabilities:

Accounts payable

12,500

Other accrued liabilities

107,172

Employee compensated absences - Current portion (Note 9)

400,000

Provision for uninsured losses - Current portion (Note 9)

493,859

Total current liabilities

1,013,531

Noncurrent liabilities:

Employee compensated absences (Note 9)

1,021,770

Provision for uninsured losses (Note 9)

205,079

Total noncurrent liabilities

1,226,849

Total liabilities

2,240,380

Net Position - Unrestricted

\$ 323,606

Bloomfield Hills Schools

Proprietary Fund
Statement of Revenue, Expenses, and Changes in Net Position

Year Ended June 30, 2022

	<u>Internal Service Fund</u>
Operating Revenue - Charges to other funds	\$ 12,218,344
Operating Expenses	
Medical, dental, and vision	10,518,574
Health risk assessments, management fees, severance-related expenses, and workers' compensation	<u>1,981,273</u>
Total operating expenses	<u>12,499,847</u>
Change in Net Position	(281,503)
Net Position - Beginning of year	<u>605,109</u>
Net Position - End of year	<u><u>\$ 323,606</u></u>

Bloomfield Hills Schools

Proprietary Fund Statement of Cash Flows

Year Ended June 30, 2022

	<u>Internal Service Fund</u>
Cash Flows from Operating Activities	
Receipts from other funds	\$ 12,160,787
Payments for services	<u>(12,452,174)</u>
Net Decrease in Cash - Net cash used in operating activities	(291,387)
Cash - Beginning of year	<u>2,797,816</u>
Cash - End of year	<u>\$ 2,506,429</u>
Reconciliation of Operating Income to Net Cash from Operating Activities	
Operating loss	\$ (281,503)
Adjustments to reconcile operating income to net cash from operating activities - Changes in assets and liabilities:	
Prepaid costs	(57,557)
Accounts payable	(7,939)
Other liabilities	17,429
Employee compensated absences	(33,942)
Uninsured losses and liabilities	<u>72,125</u>
Net cash used in operating activities	<u>\$ (291,387)</u>

Bloomfield Hills Schools

**Fiduciary Fund
Statement of Fiduciary Net Position**

	June 30, 2022
	<u>Custodial Fund</u>
Assets	
Cash and investments	\$ 777,136
Receivables	<u>9,554</u>
Total assets	786,690
Liabilities - Accounts payable	<u>44,608</u>
Net Position	<u><u>\$ 742,082</u></u>

Bloomfield Hills Schools

Fiduciary Fund Statement of Changes in Fiduciary Net Position

Year Ended June 30, 2022

	<u>Custodial Fund</u>
Additions - Fundraising and contributions	\$ 401,031
Deductions - Disbursements for student activities	<u>405,308</u>
Net Decrease in Fiduciary Net Position	(4,277)
Net Position - Beginning of year	<u>746,359</u>
Net Position - End of year	<u><u>\$ 742,082</u></u>

Note 1 - Nature of Business

Bloomfield Hills Schools (the "School District") is a school district in the state of Michigan that provides educational services to students.

Note 2 - Significant Accounting Policies

Accounting and Reporting Principles

The School District follows accounting principles generally accepted in the United States of America (GAAP), as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board (GASB). The following is a summary of the significant accounting policies used by the School District:

Reporting Entity

The School District is governed by an elected seven-member Board of Education. In accordance with government accounting principles, there are no separate legal entities appropriate to be reported within these financial statements.

Report Presentation

Governmental accounting principles require that financial reports include two different perspectives - the government-wide perspective and the fund-based perspective. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units, as applicable. The government-wide financial statements are presented on the economic resources measurement focus and the full accrual basis of accounting. Property taxes are recognized as revenue 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 statements also present a schedule reconciling these amounts to the modified accrual-based presentation found in the fund-based statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes: (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions, including special assessments. Taxes, unrestricted intergovernmental receipts, and other items not properly included among program revenue are reported instead as general revenue.

As a general rule, the effect of interfund activity has been removed from the government-wide financial statements. Exceptions to this general rule occur when there are charges between business-type activities and various other functions. Eliminations of these charges would distort the direct costs and program revenue reported for the various functions concerned.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual funds are reported as separate columns in the fund financial statements.

Note 2 - Significant Accounting Policies (Continued)***Fund Accounting***

The School District accounts for its various activities in several different funds in order to demonstrate accountability for how it spends certain resources; separate funds allow the School District to show the particular expenditures for which specific revenue is used. The various funds are aggregated into three broad fund types:

Governmental Funds

Governmental funds include all activities that provide general governmental services that are not business-type activities. Governmental funds can include the General Fund, special revenue funds, debt service funds, capital project funds, and permanent funds. The School District reports the following funds as major governmental funds:

- The General Fund is the primary operating fund because it accounts for all financial resources used to provide government services, other than those specifically assigned to another fund.
- The 2020 Bond Fund is used to record the bond proceeds, revenue, and expenditures related to voter-approved improvements.

Additionally, the School District reports the following nonmajor governmental fund types:

- Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted, committed, or assigned to expenditure for specified purposes. The School District's special revenue funds include the International Academy, Center Program, Food Service, Community Services, Co-curricular Endowment, and Hills Activities funds. The International Academy Fund is used to record the operations of the International Academy. The fund is financed by tuition payments and fees. The Center Program Fund is used to record the operations of the Center Programs. The fund is financed by state source revenue and tuition payments. The Food Service Fund is financed by sales of school lunches to students and from the Federal School Lunch Program. The Community Services Fund is primarily supported by fees generated by the program. The Co-curricular Endowment Fund is financed by the School District's contributions and fundraising activities, and moneys of the fund are restricted to the extent that only earnings, and not principal, may be used for sustaining and enhancing the School District's co-curricular programs. The Hills Activities Fund is used to record student activities and is primarily supported by fundraising revenue and donations earned and received by student groups. The School District maintains full control of these funds. Any operating deficit generated by these activities is the responsibility of the General Fund.
- Capital project funds are used to record bond proceeds or other revenue and the disbursement of invoices specifically designated for acquiring new school sites, buildings, equipment, and technology upgrades and for remodeling and repairs. The funds operate until the purpose for which they were created is accomplished. The nonmajor capital project funds maintained by the School District are the Capital Equipment, Sinking, and Capital Improvements funds. The Capital Equipment Fund accounts for board-designated projects that are available for future needs. The Sinking Fund is used to record the sinking fund property tax levy and other revenue and the disbursement of invoices specifically designated for acquiring new school sites, construction, or repair of school buildings. The Capital Improvements Fund is used to record revenue and the disbursement of invoices specifically designated by the Board of Education for acquiring new school sites and buildings and for major remodeling and repairs.
- Debt service funds are used to record tax, interest, and other revenue for payment of interest, principal, and other expenditures on long-term debt.

Note 2 - Significant Accounting Policies (Continued)**Proprietary Funds**

Proprietary funds include enterprise funds (which provide goods or services to users in exchange for charges or fees) and internal service funds (which provide goods or services to other funds of the School District). The School District does not have any enterprise funds.

The School District's Internal Service Fund is used to finance services provided to other funds of the School District on a cost-reimbursement basis. The Internal Service Fund maintained by the School District accounts for medical coverage, workers' compensation, and accrued vacation pay. It is funded through charges primarily to the General Fund in amounts equal to normal estimated risk management and compensated absence claims. Revenue and expenses related to medical coverage, workers' compensation, and vacation pay are considered operating, and revenue and expenses unrelated to these items are considered nonoperating.

Fiduciary Funds

The School District maintains a student activity custodial fund to record the transactions of student groups for school and school-related purposes. The funds are segregated for the students.

Interfund Activity

During the course of operations, the School District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as amounts 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 (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Furthermore, 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 amounts are reported as transfers in the governmental activities column.

Basis of Accounting

The governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting. This basis of accounting is intended to better demonstrate accountability for how the School District has spent its resources.

Expenditures are reported when the goods are received or the services are rendered. Capital outlays are reported as expenditures (rather than as capital assets) because they reduce the ability to spend resources in the future; conversely, employee benefit costs that will be funded in the future (such as pension and retiree health care-related costs or sick and vacation pay) are not counted until they come due for payment. In addition, debt service expenditures, claims, and judgments are recorded only when payment is due.

Revenue is not recognized until it is collected or collected soon enough after the end of the year that it is available to pay for obligations outstanding at the end of the year. For this purpose, the School District considers amounts collected within 60 days of year end to be available for recognition. Revenue not meeting this definition is classified as a deferred inflow of resources.

Proprietary funds and fiduciary funds use the economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Note 2 - Significant Accounting Policies (Continued)

Specific Balances and Transactions

Cash and Investments

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with maturities of three months or less when acquired. Investments are stated at fair value, except for investments in external investment pools, which are valued at amortized cost.

Inventories and Prepaid Costs

Inventories are valued at cost, on a first-in, first-out basis. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. United States Department of Agriculture commodities inventory received by the Food Service Fund is recorded as inventory and unearned revenue until used. Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid costs in both government-wide and fund financial statements. The School District uses the purchases method to report prepaid costs in the governmental funds.

Restricted Assets

The following amounts are reported as restricted assets:

- Unspent contributions and related interest of the Co-curricular Endowment Fund required to be set aside for sustaining and enhancing the School District's co-curricular programs
- Unspent property taxes levied held in the debt service fund required to be set aside for future bond principal and interest payments
- Unspent property taxes levied and held in the Sinking Fund required to be set aside for repairs of the School District
- Unspent bond proceeds and related interest of the 2020 Bond Fund required to be set aside for construction

Capital Assets

Capital assets are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the School District as assets with an initial individual cost of more than \$10,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. Costs of normal repair and maintenance that do not add to the value or materially extend asset life are not capitalized. The School District does not have infrastructure-type assets.

Capital assets are depreciated or amortized using the straight-line method over the following useful lives:

	Depreciable/ Amortizable Life - Years
Buildings and improvements	20-50
Furniture and equipment	5-10
Buses and other vehicles	5-10
Lease assets	5

Note 2 - Significant Accounting Policies (Continued)**Long-term Obligations**

In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed at the time they are incurred. In the fund financial statements, governmental fund types recognize bond issuances and premiums as other financing sources and bond discounts as other financing uses. The General Fund and debt service funds are generally used to liquidate governmental long-term debt.

Leases

The School District is a lessee for noncancelable leases of a facility and copiers. The School District recognizes a lease liability and an intangible right-to-use asset (lease asset) in the governmental activities column in the government-wide financial statements. The School District recognizes lease assets and liabilities with an initial value of \$10,000 or more.

At the commencement of the lease, the School District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to the leases include how the School District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The School District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the School District generally uses its estimated incremental borrowing rate for leases.
- The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the School District is reasonably certain to exercise.

The School District monitors changes in circumstances that would require a measurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets, and lease liabilities are reported with long-term debt on the statement of net position.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until then.

The School District reports deferred outflows related to deferred pension and OPEB plan costs.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time.

Note 2 - Significant Accounting Policies (Continued)

The School District reports deferred inflows related to unavailable revenue, which arises only under the modified accrual basis of accounting and is, therefore, reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from delinquent property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The other deferred inflows reported relate to revenue in support of pension contributions made subsequent to the measurement date and deferred pension and OPEB plan cost reductions.

Net Position

Net position of the School District is classified in three components. Net investment in capital assets consists of capital assets net of accumulated depreciation and is reduced by the current balances of any outstanding borrowings used to finance the purchase or construction of those assets. The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Unrestricted net position is the remaining net position that does not meet the definition of invested in capital or restricted.

Net Position Flow Assumption

The School District will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the School District's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance Flow Assumptions

The School District will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balances 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 School District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Furthermore, 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.

Fund Balance Policies

Fund balances of governmental funds are reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The nonspendable fund balance component represents amounts that are not in spendable form or are legally or contractually required to be maintained intact. Restricted fund balance represents amounts that are legally restricted by outside parties, constitutional provisions, or enabling legislation for use for a specific purpose. The School 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 School District's highest level of decision-making authority. The Board of Education is the highest level of decision-making authority for the School District that can, by passing a resolution prior to the end of the fiscal year, commit fund balance. Once passed, the limitation imposed by the resolution remains in place until a similar action is taken (the passing of another resolution) to remove or revise the limitation.

Note 2 - Significant Accounting Policies (Continued)

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The School District has, by resolution, authorized the Board of Education to assign fund balance. The Board of Education may 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 exist only 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.

The School District's fund balance policy prescribes the minimum fund balance as 15 percent of expenditures in the General Fund. This is deemed to be the prudent amount to maintain the School District's ability to meet obligations as they come due throughout the year.

Property Tax Revenue

Properties are assessed as of June 30, and the related property taxes become a lien on July 1 for approximately 50 percent of the taxes that are due on September 14 and December 1 for the remainder of the property taxes that are due on February 14. Tax collections are forwarded to the School District as collected by the assessing municipalities through February 28, at which time they are considered delinquent and added to county tax rolls. The School District considers all receivables to be fully collectible; accordingly, no allowance for uncollectible amounts is recorded.

Grants and Contributions

The School District receives federal, state, and local grants, as well as contributions from individuals and private organizations. Revenue from grants and contributions is recognized when all eligibility requirements, including time requirements, are met. Grants and contributions may be restricted for either specific operating purposes or for capital purposes. Amounts that are unrestricted, or that are restricted to a specific operating purpose, are reported as nonoperating revenue. Amounts restricted to capital acquisitions are reported after nonoperating revenue and expenses.

Pension and Other Postemployment Benefit (OPEB) Plans

For the purpose of measuring the net pension and net OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to each plan, and pension and OPEB expense, information about the fiduciary net position of the Michigan Public School Employees' Retirement System (MPERS) and additions to/deductions from MPERS fiduciary net position have been determined on the same basis as they are reported by MPERS. MPERS uses the economic resources measurement focus and the full accrual basis of accounting. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments (including refunds of employee contributions) are recognized as expenses when due and payable in accordance with the plan benefit terms. Related plan investments are reported at fair value.

Compensated Absences (Vacation and Sick Leave)

It is the School District's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. Sick pay is accrued for the estimated amount that the School District will pay upon employment termination; vacation pay is accrued when incurred. Both of these are reported in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only for known employee terminations as of year end. Generally, the funds that report each employee's compensation are used to liquidate the obligations.

June 30, 2022

Note 2 - Significant Accounting Policies (Continued)**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Adoption of New Accounting Pronouncement

During the current year, the School District adopted GASB Statement No. 87, *Leases*. As a result, the statement of net position now includes a liability for the present value of payments expected to be made and right-to-use assets. Lease activity is further described in Note 10.

Upcoming Accounting Pronouncements

In May 2020, the Governmental Accounting Standards Board issued Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, which defines SBITAs and provides accounting and financial reporting for SBITAs by governments. This statement requires a government to recognize a subscription liability and an intangible right-to-use subscription asset for SBITAs. The School District is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the School District's financial statements for the year ending June 30, 2023.

In June 2022, the Governmental Accounting Standards Board issued Statement No. 101, *Compensated Absences*, which updates the recognition and measurement guidance for compensated absences under a unified model. This statement requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means and establishes guidance for measuring a liability for leave that has not been used. It also updates disclosure requirements for compensated absences. The provisions of this statement are effective for the School District's financial statements for the year ending June 30, 2025.

Note 3 - Stewardship, Compliance, and Accountability**Budgetary Information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles and state law for the General Fund and all special revenue funds. All annual appropriations lapse at fiscal year end.

The budget document presents information by fund and function. The legal level of budgetary control adopted by the governing body (i.e., the level at which expenditures may not legally exceed appropriations) is the function level. State law requires the School District to have its budget in place by July 1. Expenditures in excess of amounts budgeted are a violation of Michigan law. State law permits districts to amend their budgets during the year. During the year, the budget was amended in a legally permissible manner. Capital outlay expenditures are included in the functional categories to which they relate in accordance with the adopted budget of the School District. Capital outlay is presented separately on the statement of revenue, expenditures, and changes in fund balances. In addition, the School District budgets and reports principal and interest on leased assets within the related function in the budgetary comparison schedule. Principal and interest are presented separately on the statement of revenue, expenditures, and changes in fund balances.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders and contracts) outstanding at year end are reported as restrictions, commitments, or assignments of fund balances and do not constitute expenditures or liabilities because the goods or services have not been received as of year end; the commitments will be reappropriated and honored during the subsequent year. The amount of encumbrances outstanding at year end for all funds is \$70,064,987.

Note 3 - Stewardship, Compliance, and Accountability (Continued)

Excess of Expenditures Over Appropriations in Budgeted Funds

During the year, the School District incurred expenditures in the General Fund, which were in excess of the amounts budgeted, as follows:

	Budget	Actual
Co-curricular activities	\$ 2,119,709	\$ 2,424,599

The co-curricular budget variance is primarily due to increased spring activities, including coaching stipends and uniform replacements.

Capital Projects Fund Compliance

The 2020 Bond Fund includes capital project activities funded with bonds issued after May 1, 1994. For these capital projects, the School District has complied with the applicable provisions of §1351a of the State of Michigan's School Code.

Sinking Fund Compliance

The Sinking Fund records school capital project activities funded with sinking fund millage. For this fund, authorized after March 29, 2017, the School District has complied with the applicable provisions of §1212 of the State of Michigan Revised School Code.

Note 4 - Deposits and Investments

State statutes and the School District's investment policy authorize the School District to make deposits in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The School District is allowed to invest in U.S. Treasury or agency obligations, U.S. government repurchase agreements, bankers' acceptances, certificates of deposit, commercial paper rated prime at the time of purchase that matures no more than 270 days after the date of purchase, mutual funds, and investment pools that are composed of authorized investment vehicles. The School District's deposits and investments are in accordance with statutory authority.

The School District has designated two banks for the deposit of its funds.

There are no limitations or restrictions on participant withdrawals for the investment pools that are recorded at amortized cost, except for investments in Michigan Liquid Asset Fund Plus - MAX Class funds (MILAF). Investments in MILAF may not be redeemed for at least 14 calendar days, with the exception of direct investments of funds distributed by the State. Redemptions made prior to the applicable 14-day period are subject to a penalty equal to 15 days' interest on the amount so redeemed.

The School District's cash and investments are subject to several types of risk, which are examined in more detail below:

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits may not be returned to it. The School District's investment policy and corresponding rules and regulations require that financial institutions be evaluated and only those with an acceptable risk level be used for the School District's deposits. The School District believes that, due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the School District evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories. At year end, the School District had bank deposits of \$17,983,289 (checking and savings accounts) that were uninsured and uncollateralized.

Note 4 - Deposits and Investments (Continued)

Custodial Credit Risk of Investments

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The School District's investment policy and corresponding rules and regulations states that that custodial credit risk will be minimized by limiting investments to the types of securities allowed by state law and by prequalifying the financial institutions, broker/dealers, intermediaries, and advisors with which the School District will do business using the criteria established in the investment policy and corresponding rules and regulations. At June 30, 2022, the School District did not hold any investment securities that were unregistered.

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The School District's investment policy minimizes interest rate risk by requiring the structuring of 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 School District's cash requirements. The School District's investment policy does not restrict investment maturities other than commercial paper, which can only be purchased with no more than a 270-day maturity.

At year end, the School District had the following investments:

Investment	Carrying Value	Weighted- average Maturity Date
Primary Government		
U.S. Treasury notes	\$ 25,514,187	3/15/2023
Federal agency bonds	7,916,790	6/24/2023
Commercial paper	8,315,811	9/25/2022
Total	<u>\$ 41,746,788</u>	

Credit Risk

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The School District's investment policy does not further limit its investment choices. As of June 30, 2022, the credit quality ratings of debt securities (other than the U.S. government) are as follows:

Investment	Fair Value	Rating	Rating Organization
Michigan CLASS	\$ 14,797,275	AAAm	Standard & Poor's
MILAF - Cash Management Class	28,295,464	AAAm	Standard & Poor's
MILAF - MAX Class	15,496,935	AAAm	Standard & Poor's
Comerica J Fund	2,717,745	N/A	N/A
U.S. Treasury notes	25,514,187	AA+	Standard & Poor's
Federal agency bonds	7,916,790	AA+	Standard & Poor's
Commercial paper	8,315,811	A-1	Standard & Poor's
Total	<u>\$ 103,054,207</u>		

Note 4 - Deposits and Investments (Continued)

Concentration of Credit Risk

The School District places no limit on the amount the School District may invest in any one issuer. The School District's investment policy minimizes concentration of credit risk by requiring diversification of the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized. At June 30, 2022, the School District had investments in U.S. Treasury notes, federal agency bonds, and commercial paper, which exceed 5 percent of total investments. This does not include pooled funds that are not subject to concentration of credit risk.

Note 5 - Fair Value Measurements

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value (NAV) per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

In instances where inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The School District's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

The School District has the following recurring fair value measurements as of June 30, 2022:

	Assets Measured at Fair Value on a Recurring Basis at June 30, 2022	
	Significant Other Observable Inputs (Level 2)	Balance at June 30, 2022
Assets		
Available-for-sale debt securities:		
U.S. Treasury notes	\$ 25,514,187	\$ 25,514,187
Federal agency bonds	7,916,790	7,916,790
Commercial paper	8,315,811	8,315,811
Total	\$ 41,746,788	41,746,788
Investments measured at NAV - Michigan CLASS		14,797,275
Total assets		\$ 56,544,063

The fair value of available-for-sale debt securities at June 30, 2022 was determined primarily based on Level 2 inputs. The School District estimates the fair value of these investments using other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals.

The valuation method for investments measured at the net asset value per share (or its equivalent) is presented in the following section.

Investments in Entities that Calculate Net Asset Value per Share

The School District holds shares in the Michigan CLASS where the fair value of the investments is measured on a recurring basis using net asset value per share (or its equivalent) of the investment companies as a practical expedient.

Note 5 - Fair Value Measurements (Continued)

At June 30, 2022, net asset value of the School District's investment in the Michigan CLASS was \$14,797,275. The investment pool had no unfunded commitments or limitations or restrictions on redemptions.

Note 6 - Unavailable/Unearned Revenue

Governmental funds report unavailable revenue in connection with receivables for revenue that is not considered to be available to liquidate liabilities of the current period. Governmental funds also report unearned revenue recognition in connection with resources that have been received but not yet earned.

At June 30, 2022, the School District had \$4,232,685 of unavailable revenue and \$1,895,542 of unearned revenue. Unavailable revenue relates to grant receivables unavailable for use in the current period. Unearned revenue primarily related to advance payments for services received during the year.

Note 7 - Capital Assets

Capital asset activity of the School District's governmental activities was as follows:

Governmental Activities

	Balance July 1, 2021	Reclassifications	Additions	Disposals and Adjustments	Balance June 30, 2022
Capital assets not being depreciated or amortized:					
Land	\$ 2,201,601	\$ -	\$ -	\$ -	\$ 2,201,601
Construction in progress	6,201,631	(117,563)	41,035,775	-	47,119,843
Subtotal	8,403,232	(117,563)	41,035,775	-	49,321,444
Capital assets being depreciated or amortized:					
Buildings and improvements	190,275,299	117,563	278,138	(345,246)	190,325,754
Furniture and equipment	12,260,277	-	170,074	(112,179)	12,318,172
Buses and other vehicles	6,539,841	-	118,870	-	6,658,711
Site improvements	12,970,492	-	227,758	-	13,198,250
Lease assets - Facility	257,128	-	-	-	257,128
Lease assets - Copiers	618,234	-	-	-	618,234
Subtotal	222,921,271	117,563	794,840	(457,425)	223,376,249
Accumulated depreciation and amortization:					
Buildings and improvements	72,376,719	-	4,990,842	(113,342)	77,254,219
Furniture and equipment	9,098,476	-	485,864	(112,179)	9,472,161
Buses and other vehicles	4,071,138	-	634,502	-	4,705,640
Site improvements	9,183,130	-	503,319	-	9,686,449
Accumulated amortization - Lease assets - Facility	-	-	55,099	-	55,099
Accumulated amortization - Lease assets - Copiers	-	-	123,647	-	123,647
Subtotal	94,729,463	-	6,793,273	(225,521)	101,297,215
Net capital assets being depreciated and amortized	128,191,808	117,563	(5,998,433)	(231,904)	122,079,034
Net governmental activities capital assets	\$ 136,595,040	\$ -	\$ 35,037,342	\$ (231,904)	\$ 171,400,478

Depreciation and amortization expense was not charged to activities, as the School District's assets benefit multiple activities and allocation is impractical.

Note 7 - Capital Assets (Continued)

Construction Commitments

As of year end, the School District had contracts with contractors for various construction projects that were still in progress. At year end, there was approximately \$53,899,000 of commitments outstanding. The School District's cumulative expenditures through the 2020 Bond Fund and Sinking Fund as of June 30, 2022 are \$46,595,058 and \$27,442,218, respectively.

Note 8 - Interfund Receivables, Payables, and Transfers

Interfund balances at June 30, 2022 are made up of \$424,640 owed to the General Fund from the International Academy Fund and result from a time lag between the dates the reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

Interfund transfers reported in the fund financial statements are composed of the following:

Fund Transferred To	Fund Transferred From		
	General Fund	Nonmajor Governmental Funds	Total
General Fund	\$ -	\$ 94,375	\$ 94,375
Nonmajor governmental funds	1,000,471	294,000	1,294,471
Total	\$ 1,000,471	\$ 388,375	\$ 1,388,846

During the year, the General Fund transferred funds to the Food Service Fund to cover negative student account balances. The General Fund transferred funds to the Capital Equipment Fund to designate unbonded funds for equipment purchases. The Center Program Fund transferred funds to the General Fund to reimburse for special education program-related expenditures. The Capital Improvements Fund transferred funds to the Capital Equipment Fund related to the purchase of buses used in the special education program. The Food Service Fund transferred funds to the General Fund related to the application of indirect costs. The Community Services Fund transferred funds to the General Fund to reimburse the General Fund for community service program-related expenditures.

Note 9 - Long-term Debt

Long-term debt activity for the year ended June 30, 2022 can be summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds payable:					
Other debt - General obligations	\$ 129,255,000	\$ 17,325,000	\$ (6,725,000)	\$ 139,855,000	\$ 7,325,000
Unamortized bond premiums	10,879,644	2,715,249	(473,566)	13,121,327	551,145
Total bonds payable	140,134,644	20,040,249	(7,198,566)	152,976,327	7,876,145
Leases (Note 10)	875,362	-	(215,382)	659,980	210,196
Compensated absences	1,455,712	538,308	(572,250)	1,421,770	400,000
Risk liabilities (Note 12)	626,813	9,727,319	(9,655,194)	698,938	493,859
Severance liabilities	2,062,051	80,878	(204,227)	1,938,702	100,000
Total governmental activities long-term debt	\$ 145,154,582	\$ 30,386,754	\$ (17,845,619)	\$ 157,695,717	\$ 9,080,200

Note 9 - Long-term Debt (Continued)

General Obligation Bonds

The School District issues general obligation bonds to provide for the acquisition and construction of major capital facilities and the acquisition of certain equipment. General obligations have been issued for governmental activities. General obligation bonds are direct obligations and pledge the full faith and credit of the School District. The State limits the amount of general obligation debt that schools can issue to 15 percent of the assessed value of all taxable property within the School District’s boundaries. If the School District issues qualified debt (i.e., debt backed by the State of Michigan), such obligations are not subject to this debt limit. The School District’s outstanding unqualified general obligation debt of \$139.9 million is significantly below this \$1.54 billion statutorily imposed limit. The primary source of any required repayment is from the School District’s property tax levy; however, the State of Michigan may withhold the School District’s state aid funding in order to recover amounts it has paid on behalf of the School District. General obligations outstanding at June 30, 2022 are as follows:

Purpose	Remaining Annual Installments	Interest Rates	Maturing	Outstanding
\$55,195,000 unqualified general obligation school building and site bonds (2013 issue)	\$1,560,000- \$4,355,000	3.00 to 5.00 percent	May 1, 2039	\$ 47,635,000
\$85,395,000 unqualified general obligation school building and site bonds (2020 issue)	\$1,025,000- \$5,665,000	2.00 to 5.00 percent	May 1, 2050	74,895,000
\$17,325,000 unqualified general obligation school building and site bonds (2022 issue)	\$100,000- \$765,000	4.00 to 5.00 percent	May 1, 2048	<u>17,325,000</u>
Total governmental activities				<u>\$ 139,855,000</u>

Other Long-term Liabilities

Compensated Absences

Accrued compensated absences at year end consist of vacation hours earned and vested and accrued vacation severance pay. The current portion is estimated based on historical trends and expected amounts to be paid within one year. Compensated absences attributable to the governmental activities will be liquidated from the funds from which the individual employee’s salaries are paid.

Severance Liabilities

The School District offers a severance incentive plan to employees based on years of service, to be paid to individuals retiring from the School District who are eligible for such benefits. The current portion is estimated based on historical trends and expected amounts to be paid within one year. Severance liabilities are liquidated from the General Fund.

Pension and OPEB Liabilities

See Note 13 for further information regarding these liabilities. The net pension liability decreased by \$64,707,301 from \$205,303,089 as of June 30, 2021 to \$140,595,788 as of June 30, 2022. The net OPEB liability decreased by \$23,051,811 from \$32,086,290 as of June 30, 2021 to \$9,034,479 as of June 30, 2022.

Note 9 - Long-term Debt (Continued)

Debt Service Requirements to Maturity

Annual debt service requirements to maturity for the above bond obligations are as follows:

Years Ending June 30	Governmental Activities		
	Other Debt		
	Principal	Interest	Total
2023	\$ 7,325,000	\$ 5,100,213	\$ 12,425,213
2024	2,855,000	4,766,776	7,621,776
2025	3,395,000	4,669,726	8,064,726
2026	3,725,000	4,552,276	8,277,276
2027	3,950,000	4,422,926	8,372,926
2028-2032	24,620,000	19,638,352	44,258,352
2033-2037	33,780,000	14,530,402	48,310,402
2038-2042	26,655,000	8,936,775	35,591,775
2043-2047	20,690,000	5,271,100	25,961,100
2048-2050	12,860,000	1,017,850	13,877,850
Total	\$ 139,855,000	\$ 72,906,396	\$ 212,761,396

Note 10 - Leases

The School District leases certain assets from various third parties. The assets leased include an enterprise facility and copiers. Payments are generally fixed monthly for copiers, with certain variable payments not included in the measurement of the lease liability required, as they are based on usage of the asset. Payments are fixed annually for the facility.

Lease asset activity of the School District is included in Note 7.

Future principal and interest payment requirements related to the School District's lease liabilities at June 30, 2022 are as follows:

Years Ending	Principal	Interest	Total
2023	\$ 210,196	\$ 16,818	\$ 227,014
2024	170,698	11,106	181,804
2025	169,357	6,041	175,398
2026	109,729	1,439	111,168
Total	\$ 659,980	\$ 35,404	\$ 695,384

Note 11 - Restricted Assets

At June 30, 2022, restricted assets are composed of the following:

Description	Governmental Activities
Co-curricular funds held by the School District	\$ 429,396
Property tax collections for repayment of bonded indebtedness	2,321,636
Property tax collections for Sinking Fund purposes	2,568,918
Bonded capital project funds held by the School District	79,427,061
Total	\$ 84,747,011

Note 12 - Risk Management

The School District is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The School District has purchased commercial insurance for errors and omission claims. The School District participates in the Michigan Association for Improved School Legislation risk pool for claims relating to property loss and torts. The School District is self-insured for workers' compensation and employee medical, dental, and vision claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

The shared-risk pool program in which the School District participates operates as a common risk-sharing management program for school districts in Michigan; member premiums are used to purchase commercial excess insurance coverage and to pay member claims in excess of deductible amounts. There has been no significant reduction in insurance coverage from the prior year.

The School District estimates the liability for workers' compensation and employee medical, dental, and vision claims that have been incurred through the end of the fiscal year, including both those claims that have been reported and those that have not yet been reported. These estimates are recorded in the government-wide statements. Changes in the estimated liability for the past two fiscal years were as follows:

	2022	2021
Estimated liability - Beginning of year	\$ 626,813	\$ 643,097
Estimated claims incurred, including changes in estimates	9,727,319	8,249,468
Claim payments	(9,655,194)	(8,265,752)
Estimated liability - End of year	\$ 698,938	\$ 626,813

Note 13 - Michigan Public School Employees' Retirement System

Plan Description

The School District participates in the Michigan Public School Employees' Retirement System (the "System"), a statewide, cost-sharing, multiple-employer defined benefit public employee retirement system governed by the State of Michigan that covers substantially all employees of the School District. Certain school district employees also receive defined contribution retirement and health care benefits through the System. The System provides retirement, survivor, and disability benefits to plan members and their beneficiaries. The System also provides postemployment health care benefits to retirees and beneficiaries who elect to receive those benefits.

The System is administered by the Office of Retirement Services (ORS). The Michigan Public School Employees' Retirement System issues a publicly available financial report that includes financial statements and required supplemental information for the pension and postemployment health care plans. That report is available on the web at <http://www.michigan.gov/orsschools>.

Benefits Provided

Benefit provisions of the defined benefit (DB) pension plan and the postemployment health care 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 pension plan and the postemployment health care plan.

June 30, 2022**Note 13 - Michigan Public School Employees' Retirement System (Continued)**

Depending on the plan option selected, member retirement benefits are calculated as final average compensation times years of services times a pension factor ranging from 1.25 percent to 1.50 percent. The requirements to retire range from attaining the age of 46 to 60 with years of service ranging from 5 to 30 years, depending on when the employee became a member. Early retirement is computed in the same manner as a regular pension but is permanently reduced 0.50 percent for each full and partial month between the pension effective date and the date the member will attain age 60. There is no mandatory retirement age.

Depending on the member's date of hire, MPSERS offers the option of participating in the defined contribution (DC) plan that provides a 50 percent employer match (up to 3 percent of salary) on employee contributions.

Members are eligible for nonduty disability benefits after 10 years of service and for duty-related disability benefits upon hire. Disability retirement benefits are determined in the same manner as retirement benefits but are payable immediately without an actuarial reduction. The disability benefits plus authorized outside earnings are limited to 100 percent of the participant's final average compensation, with an increase of 2 percent each year thereafter.

Benefits may transfer to a beneficiary upon death and are determined in the same manner as retirement benefits but with an actuarial reduction.

Benefit terms provide for annual cost of living adjustments to each employee's retirement allowance subsequent to the employee's retirement date. The annual adjustment, if applicable, is 3 percent. Some members who do not receive an annual increase are eligible to receive a supplemental payment in those years when investment earnings exceed actuarial assumptions.

MPSERS provides medical, prescription drug, dental, and vision coverage for retirees and beneficiaries. A subsidized portion of the premium is paid by MPSERS, with the balance deducted from the monthly pension of each retiree health care recipient. Depending on the member's date of hire, this subsidized portion ranges from 80 percent to the maximum allowed by the statute.

Contributions

Public Act 300 of 1980, as amended, required the School District to contribute amounts necessary to finance the coverage of pension benefits of active and retired members. Contribution provisions are specified by state statute and may be amended only by action of the state Legislature. Under these provisions, each school district's contribution is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance a portion of the unfunded accrued liability.

Under the OPEB plan, retirees electing this coverage contribute an amount equivalent to the monthly cost for Part B Medicare and 10 percent, or 20 percent for those not Medicare eligible, of the monthly premium amount for the health, dental, and vision coverage at the time of receiving the benefits. The MPSERS board of trustees annually sets the employer contribution rate to fund the benefits. Participating employers are required to contribute at that rate.

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

Note 13 - Michigan Public School Employees' Retirement System (Continued)

The School District's contributions are determined based on employee elections. There are multiple different pension and health care benefit options included in the plan available to employees based on date of hire and the elections available at that time. Contribution rates are adjusted annually by the ORS.

The ranges of rates are as follows:

	Pension	OPEB
October 1, 2020 - September 30, 2021	13.39% - 19.78%	7.57% - 8.43%
October 1, 2021 - September 30, 2022	13.73% - 20.14%	7.23% - 8.09%

Depending on the plan selected, member pension contributions range from 0 percent up to 7.0 percent of gross wages. For certain plan members, a 4 percent employer contribution to the defined contribution pension plan is required. In addition, for certain plan members, a 3 percent employer match is provided to the defined contribution pension plan.

The School District's required and actual pension contributions to the plan for the year ended June 30, 2022 were \$20,734,658, which includes the School District's contributions required for those members with a defined contribution benefit. The School District's required and actual pension contributions include an allocation of \$9,281,972 in revenue received from the State of Michigan and remitted to the System to fund the MPERS unfunded actuarial accrued liability (UAAL) stabilization rate for the year ended June 30, 2022.

The School District's required and actual OPEB contributions to the plan for the year ended June 30, 2022 were \$4,791,888, which includes the School District's contributions required for those members with a defined contribution benefit.

Net Pension Liability

At June 30, 2022, the School District reported a liability of \$140,595,788 for its proportionate share of the net pension liability. The net pension liability was measured as of September 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of September 30, 2020, which used update procedures to roll forward the estimated liability to September 30, 2021. The School 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, 2021 and 2020, the School District's proportion was 0.59 and 0.60 percent, respectively, representing a change of (0.64) percent.

Net OPEB Liability

At June 30, 2022, the School District reported a liability of \$9,034,479 for its proportionate share of the net OPEB liability. The net OPEB liability for fiscal year 2022 was measured as of September 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of September 30, 2020, which used update procedures to roll forward the estimated liability to September 30, 2021. The School District's proportion of the net OPEB liability 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, 2021 and 2020, the School District's proportion was 0.59 and 0.60 percent, respectively, representing a change of (1.18) percent.

June 30, 2022

Note 13 - Michigan Public School Employees' Retirement System (Continued)

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

For 2022, the School District recognized pension expense of \$14,826,352, inclusive of payments to fund the MPSERS UAAL stabilization rate. At June 30, 2022, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 2,177,889	\$ (827,942)
Changes in assumptions	8,862,656	-
Net difference between projected and actual earnings on pension plan investments	-	(45,201,094)
Changes in proportion and differences between the School District's contributions and proportionate share of contributions	139,350	(2,328,585)
The School District's contributions to the plan subsequent to the measurement date	<u>17,593,936</u>	<u>-</u>
Total	<u>\$ 28,773,831</u>	<u>\$ (48,357,621)</u>

The \$9,281,972 reported as deferred inflows of resources resulting from the pension portion of state aid payments received pursuant to the UAAL payment will be recognized as state appropriations revenue for the year ending June 30, 2023. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Years Ending</u>	<u>Amount</u>
2023	\$ (4,786,865)
2024	(8,675,457)
2025	(11,380,604)
2026	<u>(12,334,800)</u>
Total	<u>\$ (37,177,726)</u>

In addition, the contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the next year.

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

For the year ended June 30, 2022, the School District recognized OPEB recovery of \$5,207,179.

June 30, 2022

Note 13 - Michigan Public School Employees' Retirement System (Continued)

At June 30, 2022, the School 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
Difference between expected and actual experience	\$ -	\$ (25,788,276)
Changes in assumptions	7,552,376	(1,130,117)
Net difference between projected and actual earnings on OPEB plan investments	-	(6,809,449)
Changes in proportionate share or difference between amount contributed and proportionate share of contributions	489,319	(1,202,521)
Employer contributions to the plan subsequent to the measurement date	3,360,254	-
Total	<u>\$ 11,401,949</u>	<u>\$ (34,930,363)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (note that employer contributions subsequent to the measurement date will reduce the net OPEB liability and, therefore, will not be included in future OPEB expense):

Years Ending	Amount
2023	\$ (6,966,160)
2024	(6,450,573)
2025	(5,941,169)
2026	(5,353,437)
2027	(1,924,792)
Thereafter	(252,537)
Total	<u>\$ (26,888,668)</u>

Actuarial Assumptions

The total pension liability and total OPEB liability as of September 30, 2021 are based on the results of an actuarial valuation as of September 30, 2020 and rolled forward. The total pension liability and OPEB liability were determined using the following actuarial assumptions:

Actuarial cost method		Entry age normal
Investment rate of return - Pension	6.00% - 6.80%	Net of investment expenses based on the groups
Investment rate of return - OPEB	6.95%	Net of investment expenses based on the groups
Salary increases	2.75% - 11.55%	Including wage inflation of 2.75%
Health care cost trend rate - OPEB	5.25% - 7.75%	Year 1 graded to 3.5% in year 15, 3.0% in year 120
Mortality basis		RP-2014 Male and Female Employee Annuitant Mortality tables, scaled 100% (retirees: 82% for males and 78% for females) and adjusted for mortality improvements using projection scale MP-2017 from 2006
Cost of living pension adjustments	3.00%	Annual noncompounded for MIP members

Assumption changes as a result of an experience study for the periods from 2012 to 2017 have been adopted by the System for use in the annual pension and OPEB valuations beginning with the September 30, 2018 valuation.

Note 13 - Michigan Public School Employees' Retirement System (Continued)

Significant assumption changes since the prior measurement date, September 30, 2020, for the OPEB plan include an increase in the health care cost trend rate of 0.75 percentage points for members under 65 and a reduction from 7.0 percent 5.25 percent for members over 65. There were no significant changes in assumptions for the pension actuarial valuation. There were no significant benefit terms changes for the pension or OPEB plans since the prior measurement date of September 30, 2020.

Significant assumption changes since the measurement date, September 30, 2021, for the pension and OPEB plan include a reduction of both plans' discount rates to 6.0 percent. The change increases the total plan's net pension liability by approximately \$8.1 billion and the total plan's net OPEB liability by approximately \$1.1 billion.

Discount Rate

The discount rate used to measure the total pension liability was 6.00 to 6.80 percent as of September 30, 2021 depending on the plan option. The discount rate used to measure the total OPEB liability was 6.95 percent as of September 30, 2021. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that district contributions will be made at statutorily required rates.

Based on those assumptions, the pension plan's fiduciary net position and the OPEB plan's fiduciary net position were projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan and OPEB plan investments was applied to all periods of projected benefit payments to determine the total pension liability and total OPEB liability.

The long-term expected rate of return on pension plan and OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of 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. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity pools	25.00 %	5.40 %
Private equity pools	16.00	9.10
International equity pools	15.00	7.50
Fixed-income pools	10.50	(0.70)
Real estate and infrastructure pools	10.00	5.40
Absolute return pools	9.00	2.60
Short-term investment pools	2.00	(1.30)
Real return/opportunistic pools	12.50	6.10
Total	100.00 %	

Long-term rates of return are net of administrative expense and inflation of 2.0 percent.

Note 13 - Michigan Public School Employees' Retirement System (Continued)

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

The following presents the net pension liability of the School District, calculated using the discount rate depending on the plan option. The following also reflects what the School District's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (5.00 - 5.80%)	Current Discount Rate (6.00 - 6.80%)	1 Percentage Point Increase (7.00 - 7.80%)
Net pension liability of the School District	\$ 201,013,848	\$ 140,595,788	\$ 90,505,254

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

The following presents the net OPEB liability of the School District, calculated using the current discount rate. It also reflects what the School District's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (5.95%)	Current Discount Rate (6.95%)	1 Percentage Point Increase (7.95%)
Net OPEB liability of the School District	\$ 16,787,692	\$ 9,034,479	\$ 2,454,770

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate

The following presents the net OPEB liability of the School District, calculated using the current health care cost trend rate. It also reflects what the School District's net OPEB liability would be if it were calculated using a health care cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease	Current Rate	1 Percentage Point Increase
Net OPEB liability of the School District	\$ 2,198,920	\$ 9,034,479	\$ 16,725,305

Pension Plan and OPEB Plan Fiduciary Net Position

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

Payable to the Pension Plan and OPEB Plan

At June 30, 2022, the School District reported a payable of \$1,827,756 and \$56,341 for the outstanding amount of contributions to the pension plan and OPEB plan, respectively, required for the year ended June 30, 2022.

Required Supplemental Information

Bloomfield Hills Schools

Required Supplemental Information Budgetary Comparison Schedule - General Fund

Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
Revenue				
Local sources	\$ 38,697,140	\$ 37,091,175	\$ 37,302,578	\$ 211,403
State sources	48,022,668	50,611,266	51,236,139	624,873
Federal sources	1,976,455	5,694,330	5,757,971	63,641
Interdistrict sources	5,722,157	6,763,276	6,895,474	132,198
Total revenue	94,418,420	100,160,047	101,192,162	1,032,115
Expenditures				
Current:				
Instruction:				
Basic programs	44,589,755	48,041,335	47,128,855	(912,480)
Added needs	11,098,747	12,328,364	13,107,758	779,394
Total instruction	55,688,502	60,369,699	60,236,613	(133,086)
Support services:				
Pupil	8,328,198	9,004,140	8,894,863	(109,277)
Instructional services	6,263,538	6,677,496	6,678,621	1,125
General administration	766,326	850,330	819,118	(31,212)
School administration	4,689,798	4,514,047	4,608,128	94,081
Business services	1,225,499	1,305,808	1,264,818	(40,990)
Physical plant services	7,958,066	7,735,857	7,765,242	29,385
Transportation	3,437,246	3,731,477	3,850,699	119,222
Central services	4,295,453	4,221,631	4,369,919	148,288
Total support services	36,964,124	38,040,786	38,251,408	210,622
Co-curricular activities	1,784,540	2,119,709	2,428,213	308,504
Community services	1,675,691	1,621,625	1,690,303	68,678
Total expenditures	96,112,857	102,151,819	102,606,537	454,718
Excess of Expenditures Over Revenue	(1,694,437)	(1,991,772)	(1,414,375)	577,397
Other Financing Sources (Uses)				
Transfers in	95,000	95,000	94,375	(625)
Transfers out	(1,002,000)	(1,002,000)	(1,000,471)	1,529
Total other financing uses	(907,000)	(907,000)	(906,096)	904
Net Change in Fund Balance	(2,601,437)	(2,898,772)	(2,320,471)	578,301
Fund Balance - Beginning of year	22,478,622	22,478,622	22,478,622	-
Fund Balance - End of year	\$ 19,877,185	\$ 19,579,850	\$ 20,158,151	\$ 578,301

Bloomfield Hills Schools

Required Supplemental Information Schedule of Proportionate Share of the Net Pension Liability Michigan Public School Employees' Retirement System

	Last Eight Plan Years							
	Plan Years Ended September 30							
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
School District's proportion of the net pension liability	0.59385 %	0.59766 %	0.60229 %	0.60899 %	0.60407 %	0.60861 %	0.62372 %	0.62474 %
School District's proportionate share of the net pension liability	\$140,595,788	\$205,303,089	\$199,459,215	\$183,072,916	\$156,541,080	\$151,843,637	\$152,344,004	\$137,601,220
School District's covered payroll	\$ 53,185,619	\$ 52,875,875	\$ 51,929,362	\$ 52,115,224	\$ 50,612,794	\$ 50,842,733	\$ 51,958,464	\$ 50,864,127
School District's proportionate share of the net pension liability as a percentage of its covered payroll	264.35 %	388.27 %	384.10 %	351.28 %	309.29 %	298.65 %	293.20 %	270.53 %
Plan fiduciary net position as a percentage of total pension liability	72.32 %	59.49 %	62.12 %	62.12 %	63.96 %	63.01 %	62.92 %	66.15 %

Bloomfield Hills Schools

Required Supplemental Information Schedule of Pension Contributions Michigan Public School Employees' Retirement System

	Last Eight Fiscal Years Years Ended June 30							
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Statutorily required contribution	\$ 20,314,671	\$ 17,505,570	\$ 16,457,853	\$ 16,093,763	\$ 15,490,867	\$ 14,485,547	\$ 14,349,323	\$ 11,539,879
Contributions in relation to the statutorily required contribution	<u>20,314,671</u>	<u>17,505,570</u>	<u>16,457,853</u>	<u>16,093,763</u>	<u>15,490,867</u>	<u>14,485,547</u>	<u>14,349,323</u>	<u>11,539,879</u>
Contribution Deficiency	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
School District's Covered Payroll	\$ 55,558,378	\$ 52,365,193	\$ 53,123,591	\$ 51,785,854	\$ 52,189,064	\$ 52,144,086	\$ 51,383,829	\$ 53,119,684
Contributions as a Percentage of Covered Payroll	36.56 %	33.43 %	30.98 %	31.08 %	29.68 %	27.78 %	27.93 %	21.72 %

Bloomfield Hills Schools

Required Supplemental Information Schedule of Proportionate Share of the Net OPEB Liability Michigan Public School Employees' Retirement System

	Last Five Plan Years				
	For the Plan Year Ended September 30				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
School District's proportion of the net OPEB liability	0.59189 %	0.59893 %	0.59558 %	0.61290 %	0.60404 %
School District's proportionate share of the net OPEB liability	\$ 9,034,479	\$ 32,086,290	\$ 42,748,923	\$ 48,719,316	\$ 53,490,825
School District's covered payroll	\$ 53,185,619	\$ 52,875,875	\$ 51,929,362	\$ 52,115,224	\$ 50,612,794
School District's proportionate share of the net OPEB liability as a percentage of its covered payroll	16.99 %	60.68 %	82.32 %	93.48 %	105.69 %
Plan fiduciary net position as a percentage of total OPEB liability	88.87 %	59.76 %	48.67 %	43.10 %	36.53 %

Bloomfield Hills Schools

Required Supplemental Information
Schedule of OPEB Contributions
Michigan Public School Employees' Retirement System

	Last Five Fiscal Years				
	Years Ended June 30				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Statutorily required contribution	\$ 4,527,563	\$ 4,300,884	\$ 4,256,050	\$ 4,067,792	\$ 3,735,302
Contributions in relation to the statutorily required contribution	<u>4,527,563</u>	<u>4,300,884</u>	<u>4,256,050</u>	<u>4,067,792</u>	<u>3,735,302</u>
Contribution Deficiency	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's Covered Payroll	\$ 55,558,378	\$ 52,365,193	\$ 53,123,591	\$ 51,785,854	\$ 52,189,064
Contributions as a Percentage of Covered Payroll	8.15 %	8.21 %	8.01 %	7.86 %	7.16 %

June 30, 2022

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles and state law, when required, for the General Fund, all special revenue funds in aggregate, and debt service funds in aggregate. All annual appropriations lapse at fiscal year end.

The budget document presents information by fund and function, which is the legal level at which expenditures may not legally exceed appropriations. The statement of revenue, expenditures, and changes in fund balances presents capital outlay and other financing sources separately, as required by generally accepted accounting principles. State law requires the School District to have its budget in place by July 1. Expenditures in excess of amounts budgeted are a violation of Michigan law. State law permits districts to amend their budgets during the year. The School District did not have significant expenditure budget variances.

Pension Information

Ultimately, 10 years of data will be presented in both of the pension-related schedules. The number of years currently presented represents the number of years since the accounting standard requiring these schedules first became applicable.

Benefit Changes

There were no changes of benefit terms for each of the reported plan years ended September 30.

Changes in Assumptions

There were no significant changes of assumptions for each of the reported plan years ended September 30, except for the following:

- 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 the 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

Ultimately, 10 years of data will be presented in both of the OPEB-related schedules. The number of years currently presented represents the number of years since the accounting standard requiring these schedules first became applicable.

Benefit Changes

There were no changes of benefit terms for each of the reported plan years ended September 30.

Changes in Assumptions

There were no significant changes of assumptions for each of the reported plan years ended September 30, except for the following:

- 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. This, in addition to actual per person health benefit costs being lower than projected, reduced the plan's total OPEB liability by an additional \$1.8 billion in 2020.

June 30, 2022

- 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 the periods from 2012 to 2017. This resulted in a lower than projected per person health benefit cost 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 the periods from 2012 to 2017. This resulted in a lower than projected per person health benefit cost to reduce the plan's total OPEB liability by \$1.4 billion in 2018.

Other Supplemental Information

Bloomfield Hills Schools

	Special Revenue Funds					
	International Academy Fund	Center Program Fund	Food Service Fund	Community Services Fund	Co-curricular Endowment Fund	Hills Activities Fund
Assets						
Cash and investments	\$ -	\$ 5,110,162	\$ 1,413,003	\$ 919,369	\$ -	\$ 1,230,566
Receivables	914,810	-	186,103	-	-	-
Inventories	-	-	62,759	-	-	-
Prepaid costs and other assets	10,674	-	-	-	-	-
Restricted cash and investments	-	-	-	-	429,396	-
Total assets	\$ 925,484	\$ 5,110,162	\$ 1,661,865	\$ 919,369	\$ 429,396	\$ 1,230,566
Liabilities						
Accounts payable	\$ 82,291	\$ 16,533	\$ 112,663	\$ 50,009	\$ -	\$ -
Due to other funds	424,640	-	-	-	-	-
Accrued payroll-related liabilities	158,843	139,499	-	26,387	-	-
Unearned revenue	114,987	-	92,293	596,520	-	-
Total liabilities	780,761	156,032	204,956	672,916	-	-
Deferred Inflows of Resources -						
Unavailable revenue	-	-	-	-	-	-
Total liabilities and deferred inflows of resources	780,761	156,032	204,956	672,916	-	-
Fund Balances						
Nonspendable:						
Inventory	-	-	62,759	-	-	-
Prepaid costs	10,674	-	-	-	-	-
Restricted:						
Debt service	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-
Food service	-	-	1,394,150	-	-	-
International Academy Fund	134,049	-	-	-	-	-
Co-curricular Endowment Fund	-	-	-	-	429,396	-
Committed - Student activities	-	-	-	-	-	1,230,566
Assigned:						
Community service	-	-	-	246,453	-	-
Center program	-	4,954,130	-	-	-	-
Capital projects	-	-	-	-	-	-
Total fund balances	144,723	4,954,130	1,456,909	246,453	429,396	1,230,566
Total liabilities, deferred inflows of resources, and fund balances	\$ 925,484	\$ 5,110,162	\$ 1,661,865	\$ 919,369	\$ 429,396	\$ 1,230,566

Other Supplemental Information
Combining Balance Sheet
Nonmajor Governmental Funds

June 30, 2022

Debt Service Funds	Capital Project Funds			
Debt Service Fund	Capital Equipment Fund	Capital Improvements Fund	Sinking Fund	Total
\$ -	\$ 193,120	\$ 6,693,848	\$ -	\$ 15,560,068
-	494,330	-	-	1,595,243
-	-	-	-	62,759
-	61,692	-	-	72,366
2,321,636	-	-	2,568,918	5,319,950
\$ 2,321,636	\$ 749,142	\$ 6,693,848	\$ 2,568,918	\$ 22,610,386
\$ -	\$ -	\$ -	\$ 153,896	\$ 415,392
-	-	-	-	424,640
-	-	-	-	324,729
-	-	18,750	-	822,550
-	-	18,750	153,896	1,987,311
-	60,330	-	-	60,330
-	60,330	18,750	153,896	2,047,641
-	-	-	-	62,759
-	61,692	-	-	72,366
2,321,636	-	-	-	2,321,636
-	-	-	2,415,022	2,415,022
-	-	-	-	1,394,150
-	-	-	-	134,049
-	-	-	-	429,396
-	-	-	-	1,230,566
-	-	-	-	246,453
-	-	-	-	4,954,130
-	627,120	6,675,098	-	7,302,218
2,321,636	688,812	6,675,098	2,415,022	20,562,745
\$ 2,321,636	\$ 749,142	\$ 6,693,848	\$ 2,568,918	\$ 22,610,386

Bloomfield Hills Schools

	Special Revenue Funds					
	International Academy Fund	Center Program Fund	Food Service Fund	Community Services Fund	Co-curricular Endowment Fund	Hills Activities Fund
Revenue						
Local sources	\$ 188,943	\$ -	\$ 425,802	\$ 2,190,429	\$ 1,227	\$ 1,472,038
State sources	-	2,722,235	73,602	-	-	-
Federal sources	-	-	2,744,165	-	-	-
Interdistrict sources	5,803,719	7,060,912	-	-	-	-
Total revenue	5,992,662	9,783,147	3,243,569	2,190,429	1,227	1,472,038
Expenditures						
Current:						
Instruction	4,163,802	6,545,397	-	-	-	-
Support services	1,750,805	3,513,120	-	404,067	-	1,445,113
Food services	-	-	2,228,842	-	-	-
Community services	186,376	-	-	1,702,492	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	467	2,052	96,592	-	-	-
Total expenditures	6,101,450	10,060,569	2,325,434	2,106,559	-	1,445,113
Excess of Revenue (Under) Over Expenditures	(108,788)	(277,422)	918,135	83,870	1,227	26,925
Other Financing Sources (Uses)						
Proceeds from sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	471	-	-	-
Transfers out	-	(60,000)	(9,375)	(25,000)	-	-
Total other financing (uses) sources	-	(60,000)	(8,904)	(25,000)	-	-
Net Change in Fund Balances	(108,788)	(337,422)	909,231	58,870	1,227	26,925
Fund Balances - Beginning of year	253,511	5,291,552	547,678	187,583	428,169	1,203,641
Fund Balances - End of year	\$ 144,723	\$ 4,954,130	\$ 1,456,909	\$ 246,453	\$ 429,396	\$ 1,230,566

Other Supplemental Information
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds

Year Ended June 30, 2022

Debt Service Funds	Capital Project Funds			
Debt Service Fund	Capital Equipment Fund	Capital Improvements Fund	Sinking Fund	Total
\$ 11,220,878	\$ -	\$ 299,156	\$ 2,876,785	\$ 18,675,258
-	-	-	-	2,795,837
-	478,100	-	-	3,222,265
-	-	-	-	12,864,631
<u>11,220,878</u>	<u>478,100</u>	<u>299,156</u>	<u>2,876,785</u>	<u>37,557,991</u>
-	-	-	-	10,709,199
62,874	-	54	21,717	7,197,750
-	-	-	-	2,228,842
-	-	-	-	1,888,868
6,725,000	-	-	-	6,725,000
4,581,336	-	-	-	4,581,336
-	1,258,418	-	2,158,224	3,515,753
<u>11,369,210</u>	<u>1,258,418</u>	<u>54</u>	<u>2,179,941</u>	<u>36,846,748</u>
(148,332)	(780,318)	299,102	696,844	711,243
-	56,937	-	-	56,937
-	1,294,000	-	-	1,294,471
-	-	(294,000)	-	(388,375)
<u>-</u>	<u>1,350,937</u>	<u>(294,000)</u>	<u>-</u>	<u>963,033</u>
(148,332)	570,619	5,102	696,844	1,674,276
2,469,968	118,193	6,669,996	1,718,178	18,888,469
<u>\$ 2,321,636</u>	<u>\$ 688,812</u>	<u>\$ 6,675,098</u>	<u>\$ 2,415,022</u>	<u>\$ 20,562,745</u>

Bloomfield Hills Schools

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 International Academy Fund

Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	(Under) Over Final Budget
Revenue				
Local sources	\$ 340,000	\$ 239,000	\$ 188,943	\$ (50,057)
Interdistrict sources	5,987,200	5,785,568	5,803,719	18,151
Total revenue	6,327,200	6,024,568	5,992,662	(31,906)
Expenditures				
Current:				
Instruction - Basic programs	4,263,830	4,047,914	4,164,269	116,355
Support services:				
Pupil services	280,794	206,392	198,790	(7,602)
Instructional services	260,265	238,336	246,622	8,286
School administration	653,089	621,126	627,865	6,739
Physical plant services	628,394	654,997	673,335	18,338
Transportation	8,186	6,000	4,193	(1,807)
Community services	300,000	239,000	186,376	(52,624)
Total expenditures	6,394,558	6,013,765	6,101,450	87,685
Net Change in Fund Balance	(67,358)	10,803	(108,788)	(119,591)
Fund Balance - Beginning of year	253,511	253,511	253,511	-
Fund Balance - End of year	\$ 186,153	\$ 264,314	\$ 144,723	\$ (119,591)

Bloomfield Hills Schools

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Center Program Fund

Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
Revenue				
State sources	\$ 3,004,831	\$ 2,722,235	\$ 2,722,235	\$ -
Interdistrict sources	7,204,864	7,060,912	7,060,912	-
Total revenue	10,209,695	9,783,147	9,783,147	-
Expenditures				
Current:				
Instruction - Added needs	6,690,176	6,393,294	6,547,449	154,155
Support services:				
Pupil services	1,799,987	2,082,712	2,108,384	25,672
Instructional services	463,509	453,470	446,598	(6,872)
Physical plant services	946,245	930,681	952,757	22,076
Transportation	18,500	4,586	5,272	686
Central services	3,100	409	109	(300)
Total expenditures	9,921,517	9,865,152	10,060,569	195,417
Excess of Revenue Over (Under)				
Expenditures	288,178	(82,005)	(277,422)	(195,417)
Other Financing Uses - Transfers out	(60,000)	(60,000)	(60,000)	-
Net Change in Fund Balance	228,178	(142,005)	(337,422)	(195,417)
Fund Balance - Beginning of year	5,291,552	5,291,552	5,291,552	-
Fund Balance - End of year	\$ 5,519,730	\$ 5,149,547	\$ 4,954,130	\$ (195,417)

Bloomfield Hills Schools

Other Supplemental Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) Food Service Fund

Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
Revenue				
Local sources	\$ 1,499,918	\$ 358,850	\$ 425,802	\$ 66,952
State sources	56,756	111,000	73,602	(37,398)
Federal sources	329,068	2,448,483	2,744,165	295,682
Total revenue	1,885,742	2,918,333	3,243,569	325,236
Expenditures				
Current:				
Support services:				
Physical plant services	2,000	-	-	-
Transportation	4,000	-	-	-
Food services	1,814,274	2,324,118	2,228,842	(95,276)
Capital outlay	-	86,563	96,592	10,029
Total expenditures	1,820,274	2,410,681	2,325,434	(85,247)
Excess of Revenue Over Expenditures	65,468	507,652	918,135	410,483
Other Financing Sources (Uses)				
Transfers in	2,000	2,000	471	(1,529)
Transfers out	(10,000)	(10,000)	(9,375)	625
Total other financing uses	(8,000)	(8,000)	(8,904)	(904)
Net Change in Fund Balance	57,468	499,652	909,231	409,579
Fund Balance - Beginning of year	547,678	547,678	547,678	-
Fund Balance - End of year	<u>\$ 605,146</u>	<u>\$ 1,047,330</u>	<u>\$ 1,456,909</u>	<u>\$ 409,579</u>

Bloomfield Hills Schools

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)
Community Services Fund

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Final Budget</u>
Revenue - Local sources	\$ 1,541,100	\$ 2,181,154	\$ 2,190,429	\$ 9,275
Expenditures				
Current:				
Support services - Physical plant services	27,500	27,500	404,067	376,567
Community services	1,451,145	2,047,829	1,702,492	(345,337)
Total expenditures	<u>1,478,645</u>	<u>2,075,329</u>	<u>2,106,559</u>	<u>31,230</u>
Excess of Revenue Over Expenditures	62,455	105,825	83,870	(21,955)
Other Financing Uses - Transfers out	<u>(25,000)</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>
Net Change in Fund Balance	37,455	80,825	58,870	(21,955)
Fund Balance - Beginning of year	<u>187,583</u>	<u>187,583</u>	<u>187,583</u>	<u>-</u>
Fund Balance - End of year	<u><u>\$ 225,038</u></u>	<u><u>\$ 268,408</u></u>	<u><u>\$ 246,453</u></u>	<u><u>\$ (21,955)</u></u>

Bloomfield Hills Schools

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Co-curricular Endowment Fund

Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Under Final Budget
Revenue - Local sources	\$ 3,500	\$ 500	\$ 1,227	\$ 727
Expenditures	-	-	-	-
Net Change in Fund Balance	3,500	500	1,227	727
Fund Balance - Beginning of year	428,169	428,169	428,169	-
Fund Balance - End of year	<u><u>\$ 431,669</u></u>	<u><u>\$ 428,669</u></u>	<u><u>\$ 429,396</u></u>	<u><u>\$ 727</u></u>

Bloomfield Hills Schools

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)
Hills Activities Fund

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Final Budget</u>
Revenue - Local sources	\$ 1,050,000	\$ 1,200,000	\$ 1,472,038	\$ 272,038
Expenditures - Current - Support services - School/Student activities	<u>1,000,000</u>	<u>1,100,000</u>	<u>1,445,113</u>	<u>345,113</u>
Net Change in Fund Balance	50,000	100,000	26,925	(73,075)
Fund Balance - Beginning of year, as restated	<u>1,203,641</u>	<u>1,203,641</u>	<u>1,203,641</u>	<u>-</u>
Fund Balance - End of year	<u>\$ 1,253,641</u>	<u>\$ 1,303,641</u>	<u>\$ 1,230,566</u>	<u>\$ (73,075)</u>

Bloomfield Hills Schools

Other Supplemental Information Schedule of Bonded Indebtedness

June 30, 2022

Years Ending June 30	2013 Bond	2020 Bond	2022 Bond	Total
	Issue Principal	Issue Principal	Issue Principal	
2023	\$ 1,560,000	\$ 5,665,000	\$ 100,000	\$ 7,325,000
2024	1,715,000	1,025,000	115,000	2,855,000
2025	1,835,000	1,050,000	510,000	3,395,000
2026	1,965,000	1,200,000	560,000	3,725,000
2027	2,085,000	1,255,000	610,000	3,950,000
2028	2,230,000	1,500,000	660,000	4,390,000
2029	2,370,000	1,565,000	670,000	4,605,000
2030	2,535,000	1,650,000	675,000	4,860,000
2031	2,700,000	1,785,000	705,000	5,190,000
2032	2,870,000	1,970,000	735,000	5,575,000
2033	3,050,000	2,215,000	735,000	6,000,000
2034	3,235,000	2,440,000	735,000	6,410,000
2035	3,440,000	2,580,000	735,000	6,755,000
2036	3,660,000	2,795,000	735,000	7,190,000
2037	3,895,000	2,795,000	735,000	7,425,000
2038	4,135,000	2,795,000	735,000	7,665,000
2039	4,355,000	2,795,000	740,000	7,890,000
2040	-	2,900,000	750,000	3,650,000
2041	-	2,940,000	755,000	3,695,000
2042	-	3,000,000	755,000	3,755,000
2043	-	3,065,000	760,000	3,825,000
2044	-	3,230,000	760,000	3,990,000
2045	-	3,365,000	760,000	4,125,000
2046	-	3,505,000	765,000	4,270,000
2047	-	3,715,000	765,000	4,480,000
2048	-	3,880,000	765,000	4,645,000
2049	-	4,035,000	-	4,035,000
2050	-	4,180,000	-	4,180,000
Total remaining payments	\$ 47,635,000	\$ 74,895,000	\$ 17,325,000	\$ 139,855,000
Principal payments due	May 1	May 1	May 1	
Interest payments due	May 1 and November 1	May 1 and November 1	May 1 and November 1	
Interest rate	3.00% to 5.00%	2.00% to 5.00%	4.00% to 5.00%	
Original issue	\$ 55,195,000	\$ 85,395,000	\$ 17,325,000	

Statistical Section and Other Information
(Unaudited)

This part of the School District's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplemental information says about the School District's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the School District's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the School District's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.

Net Position by Component - Governmental Activities (Unaudited)

Last Ten Fiscal Years

	As of June 30,									
	2013	2014	2015*	2016	2017	2018**	2019	2020	2021	2022
Governmental Activities:										
Net investment in capital assets	\$ 76,959,704	\$ 81,534,741	\$ 98,303,015	\$ 103,600,839	\$ 88,297,093	\$ 87,084,611	\$ 84,037,533	\$ 82,196,398	\$ 84,897,237	\$ 84,355,813
Restricted	8,991,848	7,498,164	2,025,012	677,084	783,825	1,906,211	2,111,826	2,244,338	3,058,193	6,425,133
Unrestricted	<u>51,498,428</u>	<u>43,239,417</u>	<u>(110,559,081)</u>	<u>(117,797,713)</u>	<u>(113,345,354)</u>	<u>(166,195,512)</u>	<u>(169,499,354)</u>	<u>(179,631,797)</u>	<u>(181,199,520)</u>	<u>(165,453,644)</u>
Total net position	<u>\$ 137,449,980</u>	<u>\$ 132,272,322</u>	<u>\$ (10,231,054)</u>	<u>\$ (13,519,790)</u>	<u>\$ (24,264,436)</u>	<u>\$ (77,204,690)</u>	<u>\$ (83,349,995)</u>	<u>\$ (95,191,061)</u>	<u>\$ (93,244,090)</u>	<u>\$ (74,672,698)</u>

Source: Bloomfield Hills Schools audited financial statements

* Note: the School District adopted GASB Statements No. 68/71 effective July 1, 2014.

** Note: the School District adopted GASB Statement No. 75 effective July 1, 2017.

Changes in Governmental Net Position (Unaudited)

Last Ten Fiscal Years

	Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities:										
Instruction	\$ 57,752,064	\$ 58,359,608	\$ 60,517,511	\$ 58,882,759	\$ 59,879,242	\$ 62,626,157	\$ 63,507,285	\$ 69,432,049	\$ 68,333,127	\$ 61,084,251
Support services	36,622,822	36,795,639	37,786,359	35,101,364	38,243,115	40,302,053	41,648,671	43,967,586	45,528,279	42,386,227
Co-curricular activities	2,251,516	2,137,380	1,945,577	1,894,848	2,055,383	2,252,578	2,274,713	2,300,629	1,959,118	2,189,275
Food services	2,328,847	2,159,971	2,061,736	1,946,241	1,816,014	1,735,863	1,706,923	1,496,034	1,435,081	2,228,842
Community services	2,836,678	2,980,962	2,993,157	3,179,720	3,275,419	3,224,934	3,599,941	3,542,398	2,700,509	3,215,336
Interest on long-term debt	480,298	2,191,057	2,166,183	1,854,030	2,220,441	1,880,199	1,831,320	1,776,888	3,550,725	4,223,518
Other debt costs	-	-	-	-	-	-	-	-	145,074	96,147
Loss on disposal of capital assets (unallocated)	-	6,790,762	40,109	-	693,372	-	-	-	-	-
Depreciation (unallocated)	3,455,368	3,270,180	3,379,138	5,227,368	14,651,431	6,007,926	7,700,492	6,525,725	6,641,177	6,793,273
Total governmental activities	<u>105,727,593</u>	<u>114,685,559</u>	<u>110,889,770</u>	<u>108,086,330</u>	<u>122,834,417</u>	<u>118,029,710</u>	<u>122,269,345</u>	<u>129,041,309</u>	<u>130,293,090</u>	<u>122,216,869</u>
Program revenue										
Charges for services:										
Instruction	3,278,191	6,359,222	6,316,321	6,555,033	6,542,715	6,619,690	6,518,167	6,502,655	6,875,663	7,004,861
Support services	4,652,147	540,266	483,843	442,782	409,129	386,320	364,682	353,289	314,843	406,490
Co-curricular activities	330,674	259,740	346,797	226,475	244,486	161,727	62,583	45,016	1,300	23,578
Food services	1,701,060	1,551,378	1,592,426	1,463,597	1,412,947	1,404,437	1,381,325	982,227	23,864	334,689
Community services	3,845,376	3,836,675	3,800,516	3,848,303	4,112,244	4,327,862	4,581,926	3,326,727	1,099,231	3,078,863
Operating grants and contributions	22,218,405	21,840,318	24,947,884	21,758,317	26,566,325	28,090,846	28,595,821	31,557,977	36,905,454	46,121,438
Total program revenue	<u>36,025,853</u>	<u>34,387,599</u>	<u>37,487,787</u>	<u>34,294,507</u>	<u>39,287,846</u>	<u>40,990,882</u>	<u>41,504,504</u>	<u>42,767,891</u>	<u>45,220,355</u>	<u>56,969,919</u>
Net expense	<u>(69,701,740)</u>	<u>(80,297,960)</u>	<u>(73,401,983)</u>	<u>(73,791,823)</u>	<u>(83,546,571)</u>	<u>(77,038,828)</u>	<u>(80,764,841)</u>	<u>(86,273,418)</u>	<u>(85,072,735)</u>	<u>(65,246,950)</u>
General Revenue										
Property taxes	38,153,620	38,668,139	36,481,432	37,355,025	38,410,677	39,155,195	39,393,459	40,999,502	48,379,494	46,904,527
State aid not restricted to specific purposes	34,567,629	34,920,000	31,939,422	31,604,082	32,654,611	33,245,543	32,572,845	31,122,509	32,753,498	32,980,581
Investment earnings (loss)	357,767	399,643	283,512	256,000	223,966	354,844	815,503	652,559	260,967	(367,081)
Gain (loss) on sale of assets	-	-	-	-	-	3,776,749	52,489	221,631	2,013,917	(174,967)
Other	126,282	1,132,520	1,125,247	1,287,980	1,512,671	1,701,738	1,785,240	1,436,151	2,156,854	4,475,282
Total general revenue	<u>73,205,298</u>	<u>75,120,302</u>	<u>69,829,613</u>	<u>70,503,087</u>	<u>72,801,925</u>	<u>78,234,069</u>	<u>74,619,536</u>	<u>74,432,352</u>	<u>85,564,730</u>	<u>83,818,342</u>
Change in Net Position	<u>\$ 3,503,558</u>	<u>\$ (5,177,658)</u>	<u>\$ (3,572,370)</u>	<u>\$ (3,288,736)</u>	<u>\$ (10,744,646)</u>	<u>\$ 1,195,241</u>	<u>\$ (6,145,305)</u>	<u>\$ (11,841,066)</u>	<u>\$ 491,995</u>	<u>\$ 18,571,392</u>

Source: Bloomfield Hills Schools audited financial statements

Fund Balances, Governmental Funds (Unaudited)

Last Ten Fiscal Years

	As of June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund:										
Nonspendable	163,788	150,792	179,132	93,940	81,741	111,659	187,126	233,299	295,286	341,485
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	2,024,689	2,323,806	1,202,938	441,490	35,273	881,325	775,127	2,084,035	2,601,437	401,963
Unassigned	22,001,495	19,571,794	17,989,619	17,990,630	20,685,653	19,429,137	19,437,607	18,558,390	19,581,899	19,414,703
Total General Fund	\$ 24,189,972	\$ 22,046,392	\$ 19,371,689	\$ 18,526,060	\$ 20,802,667	\$ 20,422,121	\$ 20,399,860	\$ 20,875,724	\$ 22,478,622	\$ 20,158,151
All other governmental funds:										
Nonspendable	213,249	96,380	212,025	60,729	150,817	115,369	62,634	96,192	174,015	135,125
Restricted	8,935,746	47,673,342	14,129,489	2,373,266	3,109,742	2,076,711	2,407,245	3,175,375	93,036,236	73,793,369
Committed	-	-	-	-	-	-	-	-	1,203,641	1,230,566
Assigned	28,995,134	22,166,500	11,378,919	5,014,693	7,394,965	10,159,683	10,425,959	9,795,044	12,185,068	12,502,801
Unassigned	(70,403)	(68,761)	(546,279)	(44,368)	(109,197)	(27,077)	-	(230,026)	-	-
Total all other governmental funds	38,073,726	69,867,461	25,174,154	7,404,320	10,546,327	12,324,686	12,895,838	12,836,585	106,598,960	87,661,861
Total of all governmental funds	\$ 62,263,698	\$ 91,913,853	\$ 44,545,843	\$ 25,930,380	\$ 31,348,994	\$ 32,746,807	\$ 33,295,698	\$ 33,712,309	\$ 129,077,582	\$ 107,820,012

Source: Bloomfield Hills Schools audited financial statements

Changes in Fund Balances, Governmental Funds (Unaudited)

Last Ten Fiscal Years

	Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021*	2022
Revenue										
Local revenue	\$ 48,603,029	\$ 47,898,836	\$ 45,206,513	\$ 45,986,360	\$ 47,465,022	\$ 48,942,915	\$ 49,600,692	\$ 48,898,697	\$ 53,207,041	\$ 55,483,417
State revenue	40,939,964	41,699,149	42,734,848	44,310,503	46,708,088	47,307,106	48,314,741	47,463,404	51,613,165	54,031,976
Federal revenue	2,614,770	2,942,543	2,610,080	2,253,703	2,322,028	2,279,962	2,150,389	2,358,766	6,196,288	8,980,236
Interdistrict revenue	17,946,467	17,002,217	16,729,316	16,351,808	15,890,546	16,816,917	16,543,876	18,038,911	18,967,314	19,760,105
Total revenue	110,104,230	109,542,745	107,280,757	108,902,374	112,385,684	115,346,900	116,609,698	116,759,778	129,983,808	138,255,734
Expenditures										
Current:										
Instruction	57,026,302	58,828,546	60,517,060	60,358,497	60,147,401	62,717,235	61,577,896	63,153,340	64,612,313	70,692,432
Support services	37,089,970	36,698,644	35,144,817	34,992,252	36,451,388	39,066,076	39,372,692	38,838,370	41,490,209	45,372,636
Co-curricular activities	2,251,516	2,125,600	1,954,263	1,917,072	2,064,537	2,254,857	2,219,889	2,136,425	1,877,887	2,428,213
Food services	2,328,847	2,154,225	1,997,282	1,951,206	1,816,779	1,735,871	1,706,923	1,496,034	1,435,081	2,228,842
Community services	2,836,678	2,980,962	3,001,115	3,218,942	3,290,775	3,228,228	3,512,808	3,264,720	2,569,539	3,579,171
Debt service:										
Principal	3,046,478	2,635,000	2,030,000	745,000	880,000	960,000	1,070,000	1,180,000	6,500,000	6,940,382
Interest	496,733	1,958,226	2,178,025	2,076,225	2,061,325	2,043,725	1,995,725	1,942,225	3,481,606	4,604,656
Other	455	-	-	-	-	-	-	-	145,074	96,147
Capital outlay	11,660,838	31,325,138	47,846,469	22,258,643	3,901,873	5,719,844	4,657,363	4,553,684	10,197,351	43,668,011
Total expenditures	116,737,817	138,706,341	154,669,031	127,517,837	110,614,078	117,725,836	116,113,296	116,564,798	132,309,060	179,610,490
Excess of Revenue Over (Under) Expenditures	(6,633,587)	(29,163,596)	(47,388,274)	(18,615,463)	1,771,606	(2,378,936)	496,402	194,980	(2,325,252)	(41,354,756)
Other Financing Sources (Uses)										
Debt issuance	-	55,195,000	-	-	-	-	-	-	85,395,000	17,325,000
Debt premium or discount	-	3,576,349	-	-	-	-	-	-	8,766,399	2,715,249
Proceeds from sale of capital assets	-	42,402	20,264	-	3,647,008	3,776,749	52,489	221,631	2,074,150	56,937
Transfers in	9,640	14,776,288	6,452,071	3,556,567	1,451,716	1,685,052	1,666,457	2,075,938	2,274,980	1,388,846
Transfers out	(9,640)	(14,776,288)	(6,452,071)	(3,556,567)	(1,451,716)	(1,685,052)	(1,666,457)	(2,075,938)	(2,274,980)	(1,388,846)
Total other financing sources	-	58,813,751	20,264	-	3,647,008	3,776,749	52,489	221,631	96,235,549	20,097,186
Net Change in Fund Balance	(6,633,587)	29,650,155	(47,368,010)	(18,615,463)	5,418,614	1,397,813	548,891	416,611	93,910,297	(21,257,570)
Fund Balance - Beginning of year*	68,897,285	62,263,698	91,913,853	44,545,843	25,930,380	31,348,994	32,746,807	33,295,698	35,167,285	129,077,582
Fund Balance - End of year	\$ 62,263,698	\$ 91,913,853	\$ 44,545,843	\$ 25,930,380	\$ 31,348,994	\$ 32,746,807	\$ 33,295,698	\$ 33,712,309	\$ 129,077,582	\$ 107,820,012
Debt service as a percentage of noncapital expenditures	3.37%	4.28%	3.94%	2.68%	2.76%	2.68%	2.75%	2.79%	8.29%	8.56%

* The district updated to GASB 84 effective July 1, 2020.

Source: Bloomfield Hills Schools audited financial statements

Taxable Value and Estimated Actual Value of Taxable Property (Unaudited)

Last Ten Fiscal Years

Taxable Value by Property Type											
Real Property											
Tax Year	Residential	Commercial	Industrial	Agricultural & other	Personal property	Total Value	Tax rate (mills) Homestead	Tax rate (mills) Non-Homestead	Estimated Actual Value	Taxable Value as a Percent of Actual	
2012	\$ 2,750,505,770	\$ 231,862,560	\$ 551,660	\$ -	\$ 62,788,271	\$ 3,045,708,261	10.9224	20.4420	\$ 6,091,416,522	50.00%	
2013	2,807,069,840	222,201,890	545,670	-	67,708,150	3,097,525,550	10.8301	20.4420	6,195,051,100	50.00%	
2014	2,885,593,240	222,508,100	550,160	-	62,268,280	3,170,919,780	9.8539	19.6974	6,341,839,560	50.00%	
2015	3,001,817,120	225,829,310	557,600	-	64,440,390	3,292,644,420	9.4086	19.6826	6,585,288,840	50.00%	
2016	3,088,940,920	233,638,870	559,240	-	71,950,130	3,395,089,160	9.5223	19.6739	6,790,178,320	50.00%	
2017	3,190,240,670	236,553,450	564,240	-	72,287,440	3,499,645,800	9.3781	19.6665	6,999,291,600	50.00%	
2018	3,341,279,510	248,654,420	576,050	-	71,699,330	3,662,209,310	9.0531	19.6165	7,324,418,620	50.00%	
2019	3,495,567,720	262,858,600	515,950	-	75,310,890	3,834,253,160	8.1709	19.6103	7,668,506,320	50.00%	
2020	3,628,805,240	269,403,500	598,980	-	78,469,928	3,977,277,648	10.3657	21.4566	7,954,555,296	50.00%	
2021	3,730,016,260	272,101,830	606,310	-	77,138,285	4,079,862,685	9.5621	21.4536	8,159,725,370	50.00%	

Note: Under Michigan law, the revenue base is taxable value. Taxes levied in a particular tax year become revenue of the subsequent fiscal year.

Source: Michigan Department of Treasury Form L-4029

Direct and Overlapping Property Tax Rates (Unaudited)

Last Ten Fiscal Years

Millage Rates - Direct School District Taxes										Overlapping taxes						
Operating				Total Direct Taxes												
Fiscal Year Ended	Homestead	Non-Homestead	Debt*	Sinking Fund*	Homestead	Non-Homestead	Oakland County	Oakland Community College	Oakland Intermediate School District	State Education	City of Bloomfield Hills	City of Troy	City of Orchard Lake Village	Township of Bloomfield	Township of West Bloomfield	SMART**
2013	8.4804	18.0000	0.9586	1.4834	10.9224	20.4420	4.1900	1.5844	3.3690	6.0000	10.2400	10.4800	8.8200	12.8977	12.2537	0.5900
2014	8.3881	18.0000	0.9586	1.4834	10.8301	20.4420	4.1900	1.5844	3.3690	6.0000	10.2400	10.5200	7.3600	12.8777	12.2550	0.5900
2015	8.1565	18.0000	0.9586	0.7388	9.8539	19.6974	4.0900	1.5844	3.3690	6.0000	10.9900	10.5000	7.8600	13.3406	12.2380	1.0000
2016	7.7260	18.0000	0.9500	0.7326	9.4086	19.6826	4.0400	1.5819	3.3633	6.0000	10.9866	10.4974	7.8600	13.2512	12.2112	0.9998
2017	7.8484	18.0000	0.9500	0.7239	9.5223	19.6739	4.0400	1.5707	3.3398	6.0000	10.9843	10.3989	7.8332	13.0044	12.1665	0.9941
2018	7.7116	18.0000	0.9500	0.7165	9.3781	19.6665	4.0400	1.5555	3.3079	6.0000	10.9806	10.3582	7.8270	12.7871	12.0487	0.9863
2019	7.4366	18.0000	0.9000	0.7165	9.0531	19.6165	4.0400	1.5431	3.2813	6.0000	10.9785	10.2964	8.3229	12.6190	11.9618	1.0000
2020	6.5606	18.0000	0.9000	0.7103	8.1709	19.6103	4.0400	1.5303	3.2539	6.0000	10.9766	10.2437	8.3212	12.4875	11.8579	0.9927
2021	6.9091	18.0000	2.7500	0.7066	10.3657	21.4566	4.0200	1.5184	3.2280	6.0000	10.9750	9.9991	8.3189	12.3579	11.7840	0.9851
2022	6.1085	18.0000	2.7500	0.7036	9.5621	21.4536	4.0132	1.5057	3.2012	6.0000	10.9600	10.0154	8.3590	12.1732	11.7285	0.9765

*Debt and Sinking Fund millages apply to Homestead and Nonhomestead property.

**Suburban Mobility Authority Regional Transportation

Source: Oakland County Apportionment of Local Tax Rates

Principal Property Taxpayers (Unaudited)

Current Fiscal Year and Nine Years Prior

	<u>Taxpayer</u>	<u>2021 Taxable Value</u>	<u>Percentage of Total</u>	<u>2012 Taxable Value</u>	<u>Percentage of Total</u>
1	Detroit Edison	\$ 23,163,290	0.57%	\$ 15,000,540	0.49%
2	Bloom-Wood Centre LLC	11,668,700	0.29%	10,372,700	0.34%
3	Taubman Office Center	10,123,130	0.25%	-	0.00%
4	Bloomfield Parkway Association	9,633,000	0.24%	8,803,980	0.29%
5	Bloomfield Centre LLC	9,480,900	0.23%	-	0.00%
6	F & M Bloomfield Township RE, LLC	9,457,650	0.23%	-	0.00%
7	Bloomfield Woodward Ave Association	8,640,710	0.21%	-	0.00%
8	New Bloomfield Plaza Shopping Center	7,999,870	0.20%	16,747,610	0.55%
9	CSL Woodward CCRC LLC	7,961,470	0.20%	-	0.00%
10	Consumers Energy Company	6,937,410	0.17%	-	0.00%
	2100 Woodward Association	-	0.00%	6,264,700	0.21%
	Target Corporation	-	0.00%	6,219,180	0.20%
	John Hancock RE Finance	-	0.00%	7,996,470	0.26%
	Ridge Road Properties	-	0.00%	7,750,000	0.25%
	Hartman & Tyner Inc	-	0.00%	4,915,560	0.16%
	Bloomfield South	-	0.00%	5,166,260	0.17%
	Various	3,974,796,555	97.42%	2,956,471,261	97.07%
	Total	\$ 4,079,862,685		\$ 3,045,708,261	

Source: Respective municipalities and Count Equalization Department

Property Tax Levies and Collections (Unaudited)

Last Ten Fiscal Years

Tax Year	Fiscal Year Ended June 30	Total Levy	Current Collections	Percent Collected	Delinquent Collections	Total Tax Collections	Percent of Levy Collected
2012	2013	\$ 38,077,956	\$ 37,072,030	97.36%	\$ 973,156	\$ 38,045,186	99.91%
2013	2014	38,605,045	37,509,317	97.16%	1,065,008	38,574,325	99.92%
2014	2015	36,646,765	35,597,588	97.14%	1,036,614	36,634,202	99.97%
2015	2016	36,982,055	35,949,847	97.21%	1,013,547	36,963,394	99.95%
2016	2017	38,449,054	37,404,300	97.28%	1,018,187	38,422,487	99.93%
2017	2018	39,227,604	38,112,537	97.16%	842,692	38,955,229	99.31%
2018	2019	40,019,379	38,878,256	97.15%	1,121,429	39,999,685	99.95%
2019	2020	39,336,514	38,341,628	97.47%	977,073	39,318,701	99.95%
2020	2021	49,062,896	47,533,000	96.88%	1,502,599	49,035,599	99.94%
2021	2022	47,138,606	46,114,091	97.83%	997,667	47,111,758	99.94%

Source: Respective municipalities

Ratios of Outstanding Debt (Unaudited)

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds including Unamortized Premiums	Less: Pledged Debt Service Funds	Net General Bonded Debt	Other General Obligation Debt	Total General Obligation Debt	Taxable Value	Net General Bonded Debt as a Percentage of Taxable Value	Population	Net General Bonded Debt Per Capita	Total Debt Per Capita	Per Capita Personal Income	Total Outstanding Debt to Personal Income
2013	\$ 4,665,000	\$ -	\$ 4,665,000	\$ -	\$ 4,665,000	\$ 3,045,708,261	0%	41,023	\$ 114	\$ 114	\$ 75,388	0%
2014	60,645,856	-	57,225,000	-	57,225,000	3,097,525,550	2%	41,023	1,395	1,395	76,519	2%
2015	58,460,363	-	55,195,000	-	55,195,000	3,170,919,780	2%	38,925	1,418	1,345	77,667	2%
2016	57,559,870	-	54,450,000	-	54,450,000	3,292,644,420	2%	38,686	1,407	1,293	78,832	2%
2017	56,524,377	-	53,570,000	-	53,570,000	3,395,089,160	2%	38,345	1,397	1,272	80,014	2%
2018	55,408,884	-	52,610,000	-	52,610,000	3,499,645,800	2%	38,345	1,372	1,249	81,214	2%
2019	54,183,391	-	51,540,000	-	51,540,000	3,662,209,310	1%	38,345	1,344	1,344	83,650	2%
2020	52,847,898	-	52,847,898	-	52,847,898	3,834,253,160	1%	38,345	1,378	1,378	84,487	2%
2021	140,134,644	-	140,134,644	-	140,134,644	3,977,277,648	4%	38,345	3,655	3,655	85,331	4%
2022	152,976,327	-	152,976,327	-	152,976,327	4,079,862,685	4%	40,530	3,774	3,774	86,185	4%

Population information obtained from Southeast Michigan Council of Governments.

Per Capita information obtained from Bureau of Labor Statistics, Southeast Michigan Council of Governments and Pearson Education.

Bloomfield Hills Schools

Direct and Overlapping Governmental Activities Debt (Unaudited)

Year Ended June 30, 2022

Governmental Unit	Debt Outstanding	Estimated Percent Applicable *	Estimated Share of Overlapping Debt
City of Bloomfield Hills	\$ 14,965,000	84.83%	\$ 12,694,810
City of Orchard Lake Village	936,640	2.64%	24,727
City of Troy	15,626,099	1.77%	276,582
Bloomfield Township	102,319,158	61.72%	63,151,384
West Bloomfield Township	47,528,914	14.27%	6,782,376
Oakland County	249,100,693	6.23%	15,518,973
Oakland Intermediate School District	41,070,000	6.26%	2,570,982
Total overlapping debt			101,019,834
Direct district debt			139,855,000
Total direct and overlapping debt			<u>\$ 240,874,834</u>

* Overlapping debt for the School District is calculated as the School District's taxable valuation as a percentage of the total taxable valuation within the municipalities and then applied to the total debt of the municipality.

Source: Municipal Advisory Council of Michigan

	As of June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Calculation of debt limit										
True Cash Value (State Equalized Value (SEV) x 2)	\$ 6,322,490,042	\$ 6,581,014,980	\$ 7,206,113,860	\$ 8,077,712,780	\$ 8,716,982,000	\$ 9,124,131,380	\$ 9,420,451,540	\$ 9,756,762,000	\$ 10,098,674,476	\$ 10,276,710,050
15% of True Cash Value	948,373,506	987,152,247	1,080,917,079	1,211,656,917	1,307,547,300	1,368,619,707	1,413,067,731	1,463,514,300	1,514,801,171	1,541,506,508
Calculation of debt subject to limit										
Total debt	4,665,000	57,225,000	55,195,000	54,450,000	53,570,000	52,610,000	51,540,000	50,360,000	129,255,000	139,855,000
Less debt not subject to limit:										
State qualified debt issuance	-	-	-	-	-	-	-	-	-	-
Net debt subject to limit	4,665,000	57,225,000	55,195,000	54,450,000	53,570,000	52,610,000	51,540,000	50,360,000	129,255,000	139,855,000
Legal debt margin	943,708,506	929,927,247	1,025,722,079	1,157,206,917	1,253,977,300	1,316,009,707	1,360,527,731	1,413,154,300	1,385,546,171	1,401,651,508
Net debt subject to limit as a percentage of debt limit	0.49%	5.80%	5.11%	4.49%	4.10%	3.84%	3.65%	3.44%	8.53%	9.07%

Note: Only energy conservation bonds (years 1997-2000, inclusive) are subject to the legal debt margin. All other bonds qualified under Article IX, Section 16 of the Michigan Constitution of 1963 are exempt from computation of the legal debt margin.

Source: Municipal Advisory Council of Michigan

Bloomfield Hills Schools

Demographic and Economic Statistics (Unaudited)

Last Ten Fiscal Years

Fiscal year	Population	Total Personal Income (in Thousands)	Per Capita Personal Income	Unemployment rate
2013	41,023	\$ 3,092,642	\$ 75.388	8.70%
2014	41,023	3,139,032	76.519	7.20%
2015	38,925	3,186,117	81.853	5.40%
2016	38,686	3,319,756	85.813	4.50%
2017	38,354	3,369,553	87.854	3.20%
2018	38,345	3,420,096	89.193	3.40%
2019	38,345	3,522,669	91.868	4.20%
2020	38,345	3,239,654	84.487	8.70%
2021	38,345	3,272,017	85.331	5.00%
2022	40,530	3,527,635	87.038	2.30%

Source: Bureau of Labor Statistics, Southeast Michigan Council of Governments and Pearson Education

Bloomfield Hills Schools

Principal Employers (Unaudited)

For the Current Year and Nine Years Prior

Employer	2022 Employees	Percentage of Total Employment	2013 Employees	Percentage of Total Employment
1 Oakland Community College	1,831	5%	400	2%
2 Cranbrook Educational Community	1,115	3%	1,115	6%
3 Taubman Centers	420	1%	582	3%
4 Plunkett & Cooney PC	350	1%	350	2%
5 Woodward Hills Nursing Center	250	1%	200	1%
6 Advantis Occupational Health LLC	250	1%	-	0%
7 U.S. Postal Service	180	0%	198	1%
8 Target Corporation	180	0%	177	1%
9 DoubleTree by Hilton	175	0%	-	0%
10 Hubbell, Roth & Clark Inc.	151	0%	-	0%
Dickinson Wright PLLC	-	0%	140	1%
Pulte Land Company, LLC	-	0%	250	1%
Kingsley Hotel	-	0%	140	1%
Total Principal Employers	<u>4,902</u>		<u>3,552</u>	
Total Employment	<u>37,711</u>		<u>18,690</u>	

Source: Manta, Southeast Michigan Council of Governments, and Taxpayer Websites and Annual Reports

Bloomfield Hills Schools

Full-Time Equivalent School District Employees (Unaudited)

Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General government										
Administrators	65.60	66.04	65.44	62.97	58.80	61.47	64.77	64.67	67.67	61.23
Teachers	487.23	476.91	465.96	430.16	432.68	443.25	438.22	437.05	437.81	481.76
Paraprofessionals/Aides	167.86	163.46	174.42	167.10	179.61	185.91	182.34	186.60	181.53	190.77
Non-Instructional	303.84	300.30	275.58	255.54	376.67	367.58	363.90	337.90	320.54	327.05
Total	<u>1,024.53</u>	<u>1,006.71</u>	<u>981.40</u>	<u>915.77</u>	<u>1,047.76</u>	<u>1,058.21</u>	<u>1,049.23</u>	<u>1,026.22</u>	<u>1,007.55</u>	<u>1,060.81</u>

Source: Bloomfield Hills School District Registry of Educational Personnel (REP)
as reported through MI School Data

Bloomfield Hills Schools

Operating Indicators (Unaudited)

Last Ten Fiscal Years

Year	Enrollment*	District-wide Expenditures	District-wide Revenue	General Fund Current Operating Expenditures	Cost Per Pupil	General Fund Operating Revenue	Revenue Per Pupil	Total Teaching and Certified Staff	Percentage of Students Qualifying for Free/Reduced Meals	Average Teacher Salary
2013	5,396.76	\$ 116,737,817	\$ 110,104,230	\$ 81,237,621	\$ 15,053	\$ 80,672,816	\$ 14,948	424.60	12.18%	\$ 72,757
2014	5,354.17	138,706,341	109,542,745	83,721,703	15,637	81,535,721	15,228	399.38	10.52%	73,830
2015	5,195.35	111,045,118	107,317,400	84,886,487	16,339	82,211,784	15,824	397.23	8.98%	76,264
2016	5,246.70	108,086,330	104,797,594	85,232,859	16,245	84,387,230	16,084	372.99	8.58%	74,240
2017	5,398.67	122,141,045	111,396,399	86,207,294	15,968	88,483,901	16,390	372.77	9.41%	71,818
2018	5,474.67	118,029,710	119,224,951	90,497,218	16,530	91,041,826	16,630	382.85	9.41%	70,490
2019	5,360.35	122,269,345	116,124,040	90,991,315	16,975	91,972,626	17,158	374.30	11.46%	74,519
2020	5,411.66	116,564,798	116,759,778	91,352,637	16,881	92,331,006	17,061	376.34	10.05%	78,125
2021	5,231.06	132,309,060	129,983,808	93,522,441	17,878	96,981,155	18,539	378.42	10.86%	75,534
2022	5,214.59	179,610,490	138,255,734	102,606,537	19,677	101,192,162	19,406	406.94	12.53%	79,115

Source: Bloomfield Hills Schools audited financial statements

* Students enrolled in the Center Program are deducted from the enrollment numbers.

Capital Asset Information (Unaudited)

Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Instructional buildings:										
Elementary:										
Number of buildings	4	4	4	4	4	4	4	4	4	4
Square footage	216,565	216,565	216,565	216,565	216,565	216,565	216,565	216,565	216,565	2,165,655
Capacity	1,905	1,905	1,905	1,905	1,905	1,905	1,905	1,905	1,905	1,905
Enrollment*	1,681	1,668	1,657	1,657	1,740	1,639	1,602	1,651	1,546	1,606
Middle:										
Number of buildings	3	3	3	3	3	3	3	3	3	3
Square footage	336,522	336,522	336,522	336,522	336,522	336,522	336,522	336,522	336,522	336,522
Capacity	2,025	2,025	2,025	2,025	2,025	2,025	2,025	2,025	2,025	2,025
Enrollment*	1,820	1,878	1,807	1,807	1,855	1,950	1,851	1,880	1,777	1,704
High:										
Number of buildings	4	4	4	3	3	3	3	3	3	3
Square footage	488,897	340,859	340,859	442,889	442,889	442,889	442,889	442,889	442,889	442,889
Capacity	3,485	2,375	2,375	2,375	2,375	2,375	2,375	2,375	2,375	2,375
Enrollment*	2,384	2,279	2,241	2,308	2,316	2,382	2,264	2,148	2,183	2,168
Other:										
Number of buildings	6	6	6	7	5	5	5	5	5	5
Square footage	204,827	152,127	152,127	378,753	226,171	226,171	226,171	226,171	226,171	226,171
Capacity	280	280	280	280	280	280	280	280	280	280
Enrollment*	181	172	162	163	153	178	166	202	168	179
Administrative:										
Number of buildings	5	5	5	4	4	4	4	4	5	5
Square footage	67,100	70,860	70,860	63,760	63,760	63,760	63,760	63,760	68,639	68,639
Transportation:										
Number of garages	1	1	1	1	1	1	1	1	1	1
Buses	58	58	58	51	57	59	59	59	59	59
Athletics:										
Football fields	5	4	4	5	5	5	5	5	5	5
Soccer fields	19	17	17	17	17	17	17	17	17	17
Running tracks	2	1	1	2	2	2	2	2	2	2
Baseball/Softball fields	18	15	15	19	19	19	19	19	19	19
Swimming pools	2	1	1	2	2	2	2	2	2	2
Playgrounds	8	8	8	9	9	9	9	9	9	9

*Enrollment reflects all students enrolled including consortium students and tuition students. Student count is total head count, not full-time equivalent membership count.

Source: Bloomfield Hills Schools capital asset records

Bloomfield Hills Schools

Student Enrollment Data (Unaudited)

Last Ten Fiscal Years

Year	Kdg.	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	Spec Ed.	Total
2012-2013	331.28	334.71	308.34	381.40	383.77	361.65	415.20	473.60	416.16	402.28	432.34	486.38	528.34	332.36	5,587.81
2013-2014	311.21	352.53	356.94	314.30	409.31	406.55	380.71	428.16	474.64	409.14	411.40	413.57	483.37	325.34	5,477.17
2014-2015	313.01	328.63	363.45	377.69	335.71	428.72	417.37	375.07	438.31	456.96	420.19	405.20	422.80	294.78	5,377.89
2015-2016	291.54	340.50	334.68	384.93	409.30	351.95	453.78	439.66	387.20	442.35	478.21	435.71	421.56	284.94	5,456.31
2016-2017	356.87	335.97	361.94	352.56	405.66	419.18	379.36	475.12	459.69	389.65	473.75	488.20	435.48	275.64	5,609.07
2017-2018	347.63	361.48	351.44	375.83	380.23	425.31	435.64	394.65	483.50	456.47	413.69	477.99	498.15	274.64	5,676.65
2018-2019	327.74	358.87	375.13	346.88	372.79	390.45	419.37	431.09	390.74	497.02	463.06	409.35	493.94	267.90	5,544.33
2019-2020	390.58	339.11	379.99	379.19	372.26	388.17	397.93	436.35	436.80	407.17	504.02	461.10	427.12	277.80	5,597.59
2020-2021	284.13	373.74	327.30	369.92	374.71	362.59	384.62	398.79	441.50	439.53	408.62	497.29	460.89	263.40	5,387.03
2021-2022	364.56	331.81	371.47	329.66	389.24	370.76	371.34	371.77	394.47	437.28	438.74	412.41	500.92	253.08	5,337.51

Source: School District fall student count (full-time equivalent) including non-resident private paid students
State of Michigan report CA-15 audited.

Capital Asset Building Detail (Unaudited)

Year Ended June 30, 2022

	Acreage	Square Footage	Year Built	Student Count*
Elementary Schools				
Conant	16.642	50,970	1960	435
Eastover	18.000	60,295	1955	463
Lone Pine	20.000	56,900	1967	383
Way	19.788	48,400	1966	325
Middle Schools				
Bloomfield Hills	25.000	112,860	1958	665
East Hills	30.420	113,102	1962	561
West Hills	54.844	110,560	1966	478
High Schools				
Bloomfield Hills High School	43.241	371,000	2015	1,549
Bowers Academy [2]	N/A	10,139	2009	21
International Academy	21.100	61,750	1965	598
Other District Facilities				
Wing Lake Developmental Center	4.500	40,027	2008	101
Fox Hills Center	27.300	42,950	1967	55
Lahser	61.000	117,494	1967	N/A
Charles L. Bowers Farm	88.443	19,700	1975	N/A
E. L. Johnson Nature Center	45.310	6,000	1985	N/A
Dublin	0.780	3,000	1985	N/A
Booth Center	10.050	39,400	1962	23
Bloomfield Hills High School Parking	4.100	-	2015	N/A
Robotics	0.918	15,760	1969	N/A
Transportation [1]	N/A	5,600	1966	N/A
Pine Lake (Playground and Parking Lot)	22.990	-		N/A
Total	<u>514.426</u>	<u>1,285,907</u>		<u>5,657</u>

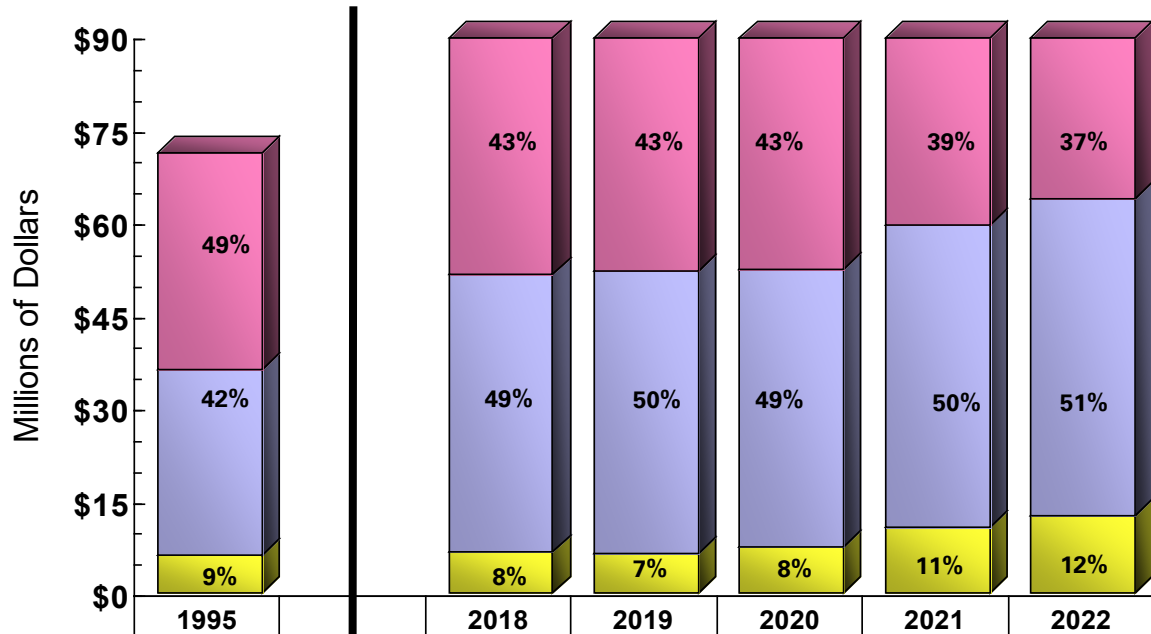
[1] Located on East Hills Middle School property

[2] Located on Charles L. Bowers Farm property

* Student count reflects all students enrolled in each building [including consortium students at the International Academy and Bloomfield Hills Schools tuition students]. Student count is head count, not full-time equivalent membership count.

Source: Bloomfield Hills Schools capital asset records and enrollment files

Bloomfield Hills Schools Comparative General Fund Revenue Years Ended June 30

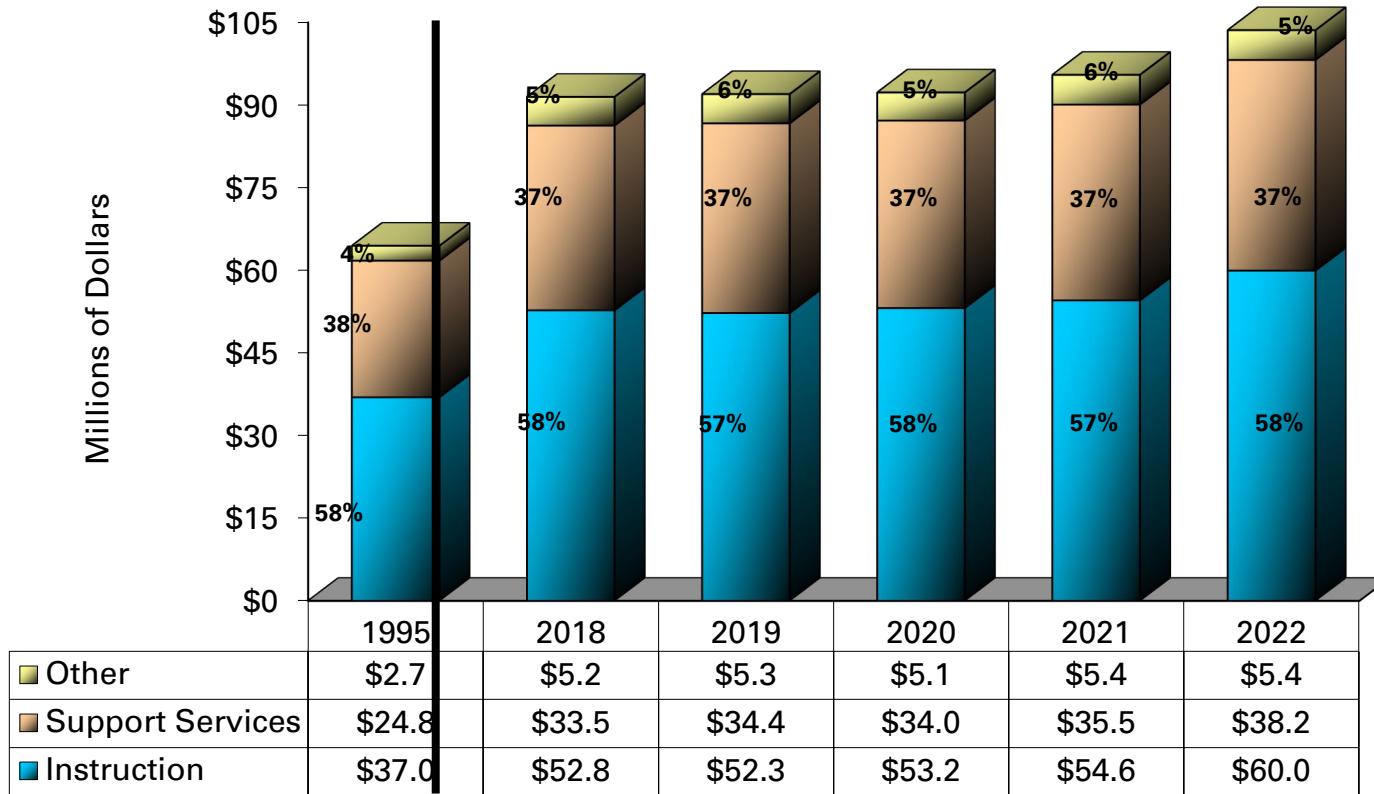


	1995	2018	2019	2020	2021	2022
Local	\$35.1	\$39.4	\$39.7	\$39.9	\$37.4	\$37.3
State	\$30.0	\$44.9	\$45.8	\$45.0	\$48.8	\$51.2
Interdistrict & Federal	\$6.3	\$6.7	\$6.4	\$7.5	\$10.8	\$12.7

Bloomfield Hills Schools

Comparative General Fund Expenditures and Other Uses

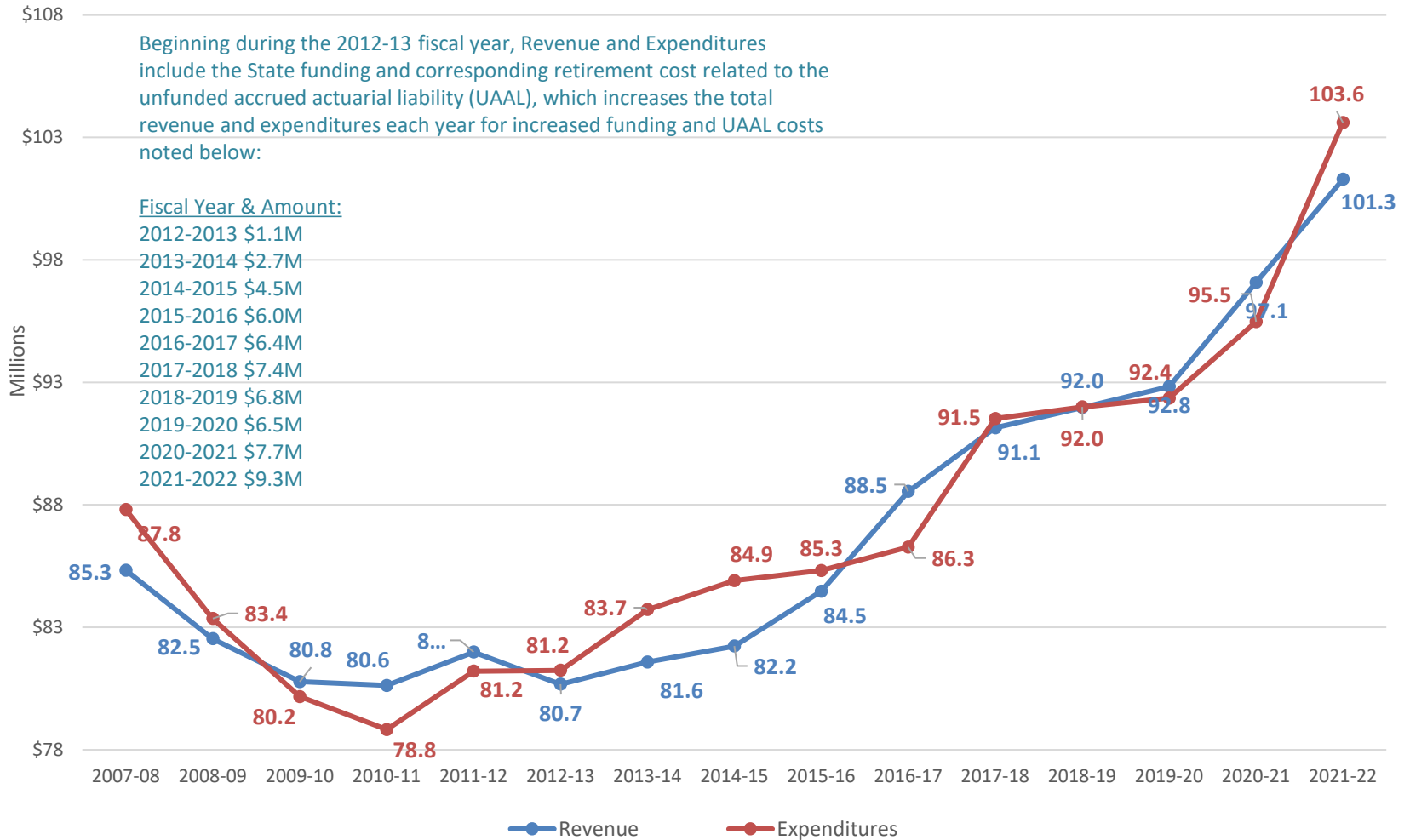
Years Ended June 30



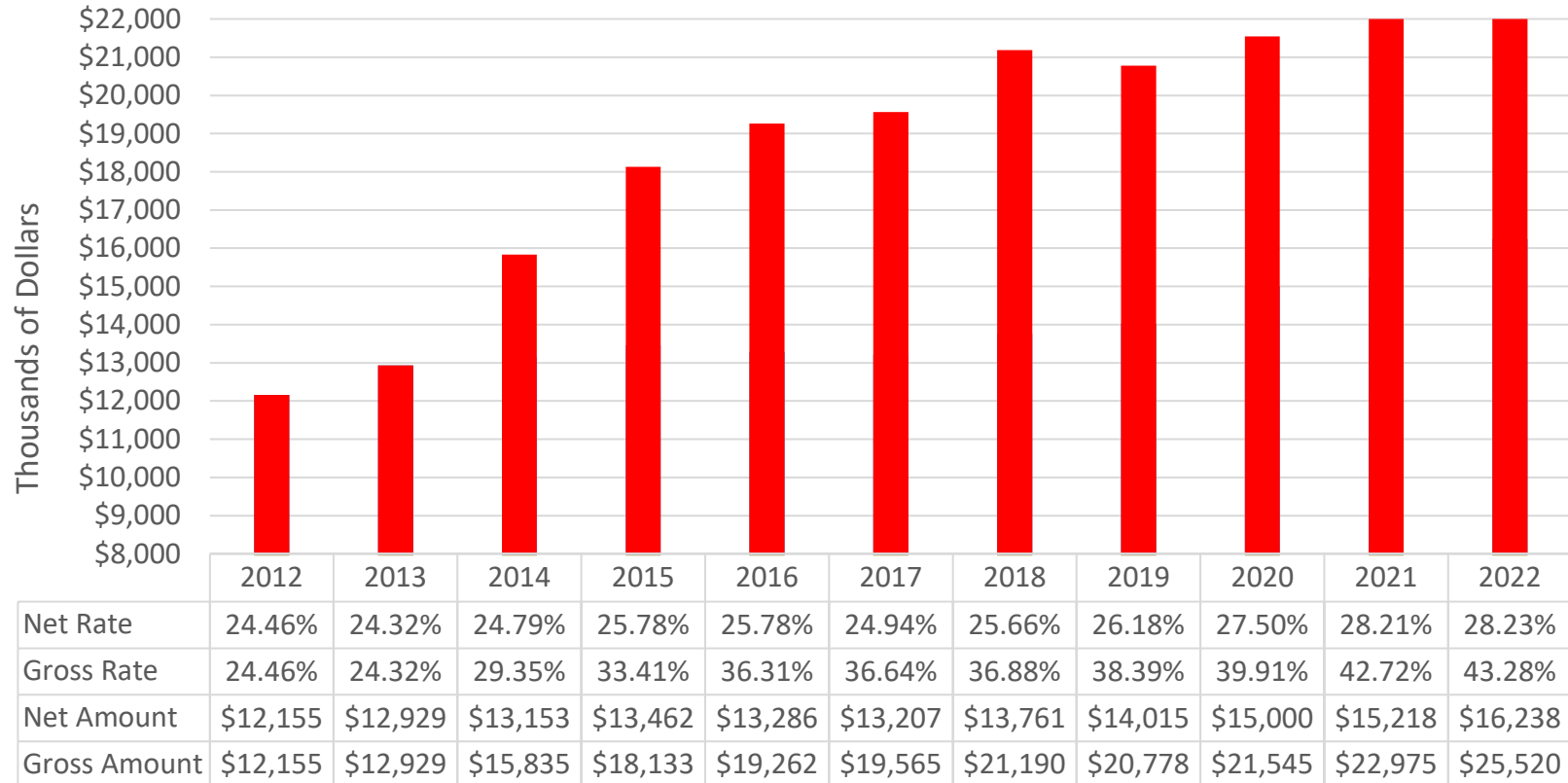
Bloomfield Hills Schools

Comparative General Fund Revenue and Expenditures

Years Ended June 30



Bloomfield Hills Schools Retirement Funding – MPERS Expense Years Ended June 30



Bloomfield Hills Schools Comparison of Michigan Schools General Fund Balances As a Percentage of Current Expenditures 2016/2017 through 2020/2021

