

**Midland Public Schools**

**Financial Statements**

**June 30, 2024**



**YEO & YEO**

**BUSINESS SUCCESS  
PARTNERS**

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**Midland Public Schools**  
**Members of the Board of Education and Administration**  
**June 30, 2024**

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**Members of the Board of Education**

Mr. Phil Rausch – President

Mr. Scott McFarland – Vice President

Mr. Jon Lauderbach – Treasurer

Mr. John Hatfield – Secretary

Ms. Ann Horowitz – Trustee

Mr. Brad Blasy – Trustee

Ms. Jennifer Ringgold – Trustee

**Administration**

Penny Miller-Nelson – Superintendent

## Independent Auditors' Report

Management and the Board of Education  
Midland Public Schools  
Midland, Michigan

### Report on the Audit of the Financial Statements

#### Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Midland Public Schools, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Midland Public Schools' basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Midland Public Schools, as of June 30, 2024, and the respective changes in financial position, 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 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Midland Public Schools, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### 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 Midland Public Schools' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## Auditors' 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 auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional 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 Midland Public Schools' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Midland Public Schools' ability to continue as a going concern for a reasonable period of time.

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

## Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of the school district's proportionate share of the net pension liability, and schedule of the school district's pension contributions, schedule of the school district's proportionate share of the net OPEB liability (asset), and schedule of the school district's OPEB contributions 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, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Midland Public Schools' basic financial statements. The other supplementary 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 other supplementary information, as identified in the table of contents, other than the prior year 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, other than the prior year information, the other supplementary information, as identified in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## Prior Year Supplementary Information

We also have previously audited, in accordance with auditing standards generally accepted in the United States, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, Midland Public Schools' basic financial statements as of and for the year ended June 30, 2023, which are not presented with the accompanying basic financial statements. In our report dated September 5, 2023, we expressed unmodified opinions on the respective basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the basic financial statements that collectively comprise Midland Public Schools' basic financial statements as a whole. The 2023 information in the comparative supplementary schedules is presented for purposes of additional analysis and is not a required part of the 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 2023 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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 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 2023 information in the comparative supplementary schedules is fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

## Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 9, 2024 on our consideration of Midland Public Schools' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Midland Public Schools' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Midland Public Schools' internal control over financial reporting and compliance.

Yeo & Yeo, P.C.

Midland, Michigan  
September 9, 2024

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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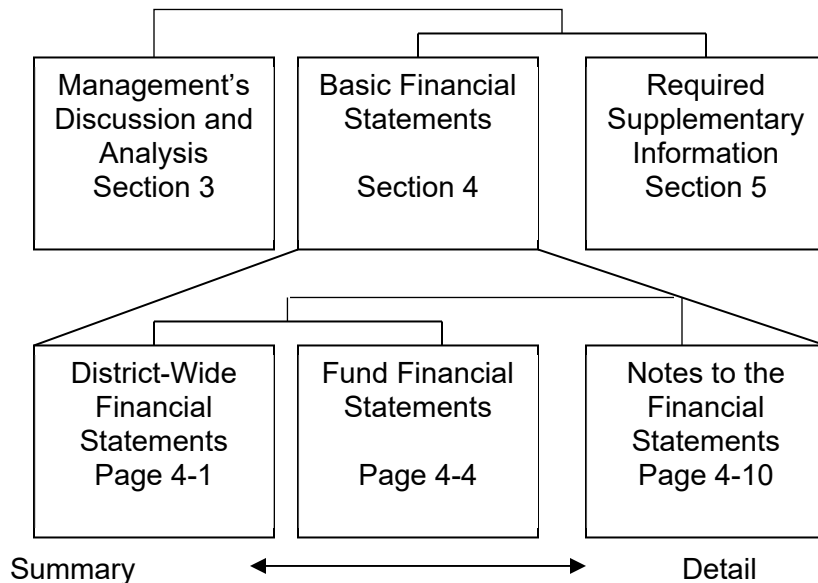


**Midland Public Schools**  
**Management Discussion and Analysis**  
**June 30, 2024**

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This financial report is presented in the format required by the Governmental Accounting Standards Board (GASB). The overall organization of this report is shown in Figure A-1.

**Figure A-1**  
**Midland Public Schools**  
**Organization of Annual Financial Report**



### **District –Wide Financial Statements**

The District-wide statements provide a perspective of the District as a whole. These statements use the full accrual basis of accounting similar to private sector companies. There are two District-wide statements: the Statement of Net Position and the Statement of Activities.

The Statement of Net Position (page 4-1) combines and consolidates the governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations, regardless of whether they are currently available or not.

Consistent with the full accrual basis method of accounting, the Statement of Activities (page 4-3) accounts for current year revenues and expenses regardless of when cash is received or paid. The intent of this statement is to summarize and simplify the user's analysis of the costs of various district services.

When analyzed together, the two statements help the reader determine whether the District is financially stronger or weaker as a result of the year's activities.

### **Fund Financial Statements**

The fund financial statements focus on individual parts of the district, reporting the District's operation in more detail than the district-wide statements. The fund level statements are reported on a *modified accrual basis*. Only those assets that are "*measurable*" and "*currently available*" are reported. Liabilities are recognized to the extent they are normally expected to be paid with current financial resources.

The fund statements are formatted to comply with the legal requirements of the Michigan Department of Education's *Public School Accounting Manual*. In the State of Michigan, the District's major instructional and instructional support activities are reported in the General Fund. Additional activities are reported in their relevant funds. The funds used by Midland Public Schools include Capital Project Funds, and Special Revenue Funds for Food Service, Student Activity, and the Charger Shop Bookstore.

**Midland Public Schools**  
**Management Discussion and Analysis**  
**June 30, 2024**

**Financial Analysis of the District as a Whole**

**Statement of Net Position**

	Governmental Activities June 30, 2024	Governmental Activities June 30, 2023
<b>Assets and Deferred Outflows</b>		
Current and other assets	\$ 68,249,030	\$ 60,469,593
Capital and right to use assets	191,039,390	186,879,456
Less accumulated depreciation	(70,834,729)	(65,376,264)
Capital and right to use assets, net book value	120,204,661	121,503,192
Net OPEB Asset	2,756,702	-
Deferred outflows of resources	57,731,793	71,263,149
Total assets and deferred outflows	<u>248,942,186</u>	<u>253,235,934</u>
<b>Liabilities and Deferred Inflows</b>		
Current liabilities	14,786,252	11,907,616
Noncurrent liabilities	236,424,324	279,387,930
Deferred inflows of resources	51,902,097	38,165,259
Total liabilities and deferred inflows	<u>303,112,673</u>	<u>329,460,805</u>
<b>Net Position</b>		
Net investment in capital assets	47,641,820	45,243,317
Restricted	3,190,492	2,813,440
Unrestricted	(105,002,799)	(124,281,628)
Total net position	<u>\$ (54,170,487)</u>	<u>\$ (76,224,871)</u>

The *Statement of Net Position* and the *Statement Activities* on the next page show the changes in the District's net position. Unrestricted net position is similar but not identical to fund balance. Other assets are restricted for capital projects and food service operations. A reconciliation of the difference between changes in net position and changes in fund balance is on page 4-9. In 2023/24 there is an increase

in net position. This is largely due to a decrease in noncurrent liabilities due to the deferred amount relating to net pension liability.

**Statement of Activities**

	Governmental Activities Year Ended June 30, 2024	Governmental Activities Year Ended June 30, 2023
<b>Revenues</b>		
Program revenues		
Charges for services	\$ 2,362,507	\$ 2,679,762
Operating grants and contributions	42,520,353	38,363,900
General revenues		
Property taxes	28,025,174	27,279,866
State foundation allowance	52,661,557	51,748,026
Other	2,136,323	1,268,968
<b>Total revenues</b>	<u>127,705,914</u>	<u>121,340,522</u>
<b>Expenses</b>		
Instruction	62,981,648	66,229,799
Support services	36,442,414	40,890,763
Food services	4,001,194	3,736,965
Community services	229,601	-
Other transactions	1,996,673	2,229,709
<b>Total expenses</b>	<u>105,651,530</u>	<u>113,087,236</u>
<b>Increase (decrease) in net assets</b>	<u>\$ 22,054,384</u>	<u>\$ 8,253,286</u>

The largest component of revenues is the per-pupil Foundation Allowance which is legislatively established each year and varies by district. It is comprised of a state portion and the amount raised by the District's non-homestead property tax levy of 18 mills.

**Midland Public Schools**  
**Management Discussion and Analysis**  
**June 30, 2024**

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The combined total is based on two variables:

1. The State of Michigan State Aid Act per student foundation allowance
2. Student enrollment calculated by blending 90 percent of the current year's fall count and 10 percent of the prior year's winter count

Revenue is determined by multiplying the two variables and adjusting for the lower foundation allowance of students attending Midland Public Schools from other school districts. Detailed information on both components is on page 3-4.

### **The School District's Funds**

A school district accounting system is organized and operated on a fund basis. Legal reporting requirements and the varied nature of the District's operations make it necessary to account for activities through the use of separate funds. Financial statements for the General Fund are on pages 5-1 and 5-2 and 6-3 through 6-15.

The District governmental funds reported a combined fund balance of \$52.1 million, which is a increase of \$4.8 million from last year. The changes in the individual funds are:

- In the General Fund, our principal operating fund, the fund balance increased by \$5,051,662. The Board of Education was aware of the possibility of revenues exceeding expenditures and is committed to building a healthy fund balance to maintain critical District programming in the case of an economic downturn. The reserves and designations of fund balance are identified on page 4-5.
- The 2023 Building and Site Bond Fund decreased by \$1,463,736 due to planned expenditures for these funds which included technology and bus fleet updates.

- The overall fund balance in the Non-Major Governmental Funds increased by \$1,171,211. This change is mostly attributable to the transfer of funds from the general fund to the capital improvement (PRME) as well as an increase in revenue within the Food Service Fund. The district continued to utilize the PRME fund to ensure facility maintenance and upgrades keep pace with increasing needs. Additional detail on the changes in the Non-Major Governmental Funds is available on pages 6-1 and 6-2. Additional detail on the changes in the Non-Major Governmental Funds is available on pages 6-1 and 6-2.

### **Per Student Foundation Allowance**

Annually, the State of Michigan establishes the per student foundation allowance. In 2023/24, the State increased funding levels to \$9,730 per pupil (\$560 per-pupil increase from 2022/23).

### **Student Enrollment**

The District's state aid membership for 2023/24 was 7,392 students. This is a decrease of 68 students from the previous school year. The 2023/24 beginning budget was adopted using projections of a reduction in student enrollment of 50 students.

The following summarizes fall student enrollments in the past five years:

#### **Enrollment History**

	<b>Student FTE</b>	<b>FTE Change from Prior Year</b>
2023/24	7,392	-68
2022/23	7,460	(46)
2021/22	7,506	(159)
2020/21	7,665	(75)
2019/20	7,740	64

# Midland Public Schools

## Management Discussion and Analysis

### June 30, 2024

Preliminary student enrollment projections for 2024/25 indicate that the blended enrollment count is projected to decline by 35 students from 2023/24. The District utilizes the Michigan Alliance for Student Opportunity for assistance in projecting enrollment for budget purposes. County birthrates, current enrollment, and community factors all play a part in this forecast.

### **Property Taxes Levied for General Operations**

The District levies 18 mills of property taxes for operations (General Fund) on Non-Homestead properties. A change in state tax law late in 2007 exempted industrial and commercial personal property from the operational millage and shifted the balance of funding to the foundation allowance. Included in the 18 mills is a hold harmless millage levied on all properties that is limited to the number of mills necessary to raise \$122 per pupil (Note: A law change in July 2021 lowered this rate from \$415.31. The difference was captured in state aid rather than from the local tax payer.) Under Michigan law, the tax levy is based on the taxable valuation of properties. Annually, the taxable valuation increase in property values is capped at lesser of the rate of the prior year's Consumer Price Index increase or 5 percent. At the time of sale, a property's taxable valuation is readjusted to the State Equalized Value, theoretically 50 percent of the market value. The following summarizes the local tax revenues as a percent of all general fund revenues for the past five years:

### **Local Property Tax History**

	<b>Local Property Tax Revenue</b>	<b>% of General Fund Revenue</b>
2023/24	\$ 19,905,553	17.6%
2022/23	19,079,693	17.6%
2021/22	19,347,700	21.0%
2020/21	20,784,398	22.4%
2019/20	20,010,378	24.1%

Local revenues in the table include the receipt of delinquent taxes from prior years; for the fiscal year ended June 30, 2024, the District had approximately \$500 of current year property taxes that had not been collected.

### **Capital Assets and Right to Use Assets**

At June 30, 2024, the District had \$120,204,661 invested in capital assets including land, buildings, furniture, and equipment.

<b>Assets</b>	<b>2024</b>	<b>2023</b>
Land	\$ 410,000	\$ 410,000
Site Improvements	22,124,116	21,021,665
Buildings and improvements	146,134,637	145,465,711
Buses and other vehicles	4,850,607	4,475,538
Furniture and equipment	12,904,730	11,707,816
Construction in progress	307,292	433,906
Right to use asset - building and additions	473,735	-
Right to use asset - subscription arrangements	3,834,273	3,364,820
Subtotal	191,039,390	186,879,456
Less accumulated depreciation and amortization	(70,834,729)	(65,376,264)
	<b>\$ 120,204,661</b>	<b>\$ 121,503,192</b>

**Midland Public Schools**  
**Management Discussion and Analysis**  
**June 30, 2024**

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**Debt**

At June 30, 2023 the District had \$73,920,000 in general obligation bonds outstanding versus \$79,770,000 in the previous year.

The School District's general obligation bond rating is Aa1 by Moody's Investors Service. The School District's rating by Standard & Poor's is AA' enhanced long-term rating and 'A+' underlying rating. 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 does not approach the state limit.

Other obligations include accrued compensated absences. We present more detailed information about our long-term liabilities in the notes to the financial statements.

**Original versus Revised Budget**

The Uniform Budget Act of the State of Michigan requires that a local Board of Education approve the original budget for the upcoming fiscal year prior to July 1, the start of the fiscal year. The budget for 2023/24 was approved on June 19, 2023 and amended in March and June of 2024.

**General Fund Revenues**

Total Revenues Revised Budget	\$ 114,203,340
Total Revenues Original Budget	103,605,460
	<u>\$ 10,597,880</u>
Total Revenues Actual	\$ 113,767,099
Total Revenues Revised Budget	114,203,340
	<u>\$ (436,241)</u>

The actual variance from the final budget was (0.38%), primarily due to restricted unspent federal and state funds that will be carried over to the 2023/24 fiscal year.

Significant revenue budget adjustments for the year include (numbers are approximate):

- 147c – MPSERS flow through payment: \$1.64 million (direct in-out)
- ESSER III carryover: \$1.09 million
- 51c – Special Education: \$1.07 million
- 31n6 – Student Mental Health Supports Increase and Carryover: \$724,000
- 147a2 – MPSERS cost offset: \$1.5 million
- 61c – CTE Equipment: \$651,000

**General Fund Expenditures**

Total Expenditures Revised Budget	\$ 116,373,301
Total Expenditures Original Budget	108,370,932
	<u>\$ 8,002,369</u>
Total Expenditures Actual	\$ 108,715,437
Total Expenditures Revised Budget	116,373,301
	<u>\$ (7,657,864)</u>

The actual variance from the final budget was (6.6%). The variance is due to actual employer costs being lower than expected. The uncertainty of program implementation of the federal and state grant awards continued due to changing needs and shifting staffing patterns. Grant budgets that were not spent will be carried over to the 24-25 budget.

**Midland Public Schools**  
**Management Discussion and Analysis**  
**June 30, 2024**

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The expenditure budget adjustments variance was 6.6%. Numerous categorical revenue streams that were increased (147c, 31n6, etc.) had correlating expenditures. In addition, a Capital Improvement (PRME) transfer was not built into the original budget. Major expenditure adjustments for the year related to pandemic needs (increased staffing, wage adjustments (staff stipends) to react to labor market conditions/inflation, etc.) continued.

**Economic Factors and Next Year's Budget and Rates**

For 2024/25, the legislature had not adopted a final State School Aid Act before the Board of Education was required to adopt its budget at the June 13<sup>th</sup> meeting. The adopted budget included a deficit of approximately \$4.17 million (\$2.2 million accounting for expected variance). The Board of Education remains committed to providing substantial services and resources to students and staff throughout the 24-25 school year to aid in remediating learning loss. The General fund and Federal supplementary funds will continue to play a large role in providing these services.

The major assumptions for the 2024/25 budget include:

- A reduction in the blended count for enrollment of 35 students
- A \$250 per student increase (\$9,980).
- 23g (MI Kids Back on Track) at \$750,000
- MPSERS Cost Offset 147a (1&2) and 147e at the same levels as provided in 23-24
- Federal Allocations (IA, IIA, IVA, ID) budgeted at 85% of the 23-24 allocations.
- Section 31aa budgeted at 90% of the 23-24 allocation
- 31A (At-Risk Funding) at \$3,300,000

- Steps and category increase for teachers. All employees received an increase in salary based on position.
- Increase of medical premiums of 7%.
- Retirement rate: 30.5% of payroll (Weighted Average)
- Staffing patterns continue to reflect elevated levels related to Federal supplementary funds to address pandemic related learning loss.

**Requests for Information**

This financial report is designed to give a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. Questions concerning this report or requests for additional information should be addressed to Associate Superintendent for Finance, Facilities and Operations, Midland Public Schools, 600 East Carpenter, Midland, MI 48640; telephone number 989-923-5078.

## BASIC FINANCIAL STATEMENTS

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**Midland Public Schools**  
**Statement of Net Position**  
**June 30, 2024**

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	<u>Governmental Activities</u>
<b>Assets</b>	
Cash	\$ 48,589,678
Taxes receivable	5,390
Accounts receivable	58,574
Contributions receivable	90,000
Leases receivable	1,761,405
Due from other governmental units	16,671,168
Interest receivable	52,450
Inventory	107,031
Investments	529,818
Prepaid items	383,516
Capital assets not being depreciated	717,292
Capital assets - net of accumulated depreciation	119,487,369
Net OPEB asset	<u>2,756,702</u>
 Total assets	 <u>191,210,393</u>
 <b>Deferred Outflows of Resources</b>	
Deferred amount on debt refunding	767,766
Deferred amount relating to the net pension liability	45,780,375
Deferred amount relating to the net OPEB asset	<u>11,183,652</u>
 Total deferred outflows of resources	 <u>57,731,793</u>

See Accompanying Notes to the Financial Statements



**Midland Public Schools**  
**Statement of Net Position**  
**June 30, 2024**

	<u>Governmental Activities</u>
<b>Liabilities</b>	
Accounts payable	\$ 2,440,410
Due to other governmental units	78,480
Payroll deductions and withholdings	3,308,771
Accrued expenditures	493,782
Accrued salaries payable	3,706,383
Unearned revenue	4,758,426
Long-term liabilities	
Net pension liability	154,730,650
Due within one year	7,431,871
Due in more than one year	<u>74,261,803</u>
 Total liabilities	 <u>251,210,576</u>
 <b>Deferred Inflows of Resources</b>	
Deferred amount on leases receivable	1,761,405
Deferred amount relating to the net pension liability	27,269,774
Deferred amount relating to the net OPEB asset	<u>22,870,918</u>
 Total deferred inflows of resources	 <u>51,902,097</u>
 <b>Net Position</b>	
Net investment in capital assets	47,641,820
Restricted for:	
Food service	1,655,115
STEM	1,452,686
Contributions for special projects	82,691
Unrestricted	<u>(105,002,799)</u>
 Total net position	 <u>\$ (54,170,487)</u>

See Accompanying Notes to the Financial Statements

**Midland Public Schools**  
**Statement of Activities**  
**For the Year Ended June 30, 2024**

		Program Revenues		Net (Expense)
	Expenses	Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
<b>Functions/Programs</b>				
Governmental activities				
Instruction	\$ 62,981,648	\$ 1,314,686	\$ 28,265,115	\$ (33,401,847)
Supporting services	36,442,414	712,144	9,641,518	(26,088,752)
Food services	4,001,194	335,677	4,613,720	948,203
Community services	229,601	-	-	(229,601)
Interest and fiscal charges on long-term debt	1,996,673	-	-	(1,996,673)
Total governmental activities	<u>\$ 105,651,530</u>	<u>\$ 2,362,507</u>	<u>\$ 42,520,353</u>	<u>(60,768,670)</u>
General revenues				
Property taxes, levied for general purposes				19,905,553
Property taxes, levied for debt service				8,119,621
State aid - unrestricted				52,661,557
Interest and investment earnings				1,377,408
Gain on sale of capital assets				8,093
Other				<u>750,822</u>
Total general revenues				<u>82,823,054</u>
Change in net position				22,054,384
Net position - beginning				<u>(76,224,871)</u>
Net position - ending				<u>\$ (54,170,487)</u>

See Accompanying Notes to the Financial Statements

**Midland Public Schools**  
**Governmental Funds**  
**Balance Sheet**  
**June 30, 2024**

	General Fund	2023 Building and Site Project Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Cash	\$ 34,208,809	\$ 6,827,361	\$ 7,553,508	\$ 48,589,678
Taxes receivable	-	-	5,390	5,390
Accounts receivable	43,290	-	15,284	58,574
Contributions receivable	-	-	90,000	90,000
Leases receivable	1,761,405	-	-	1,761,405
Due from other funds	-	5,368	7,244	12,612
Due from other governmental units	16,576,319	-	94,849	16,671,168
Interest receivable	52,450	-	-	52,450
Inventory	14,253	-	92,778	107,031
Investments	-	-	529,818	529,818
Prepaid items	347,993	-	35,523	383,516
	<u>\$ 53,004,519</u>	<u>\$ 6,832,729</u>	<u>\$ 8,424,394</u>	<u>\$ 68,261,642</u>
<b>Liabilities</b>				
Accounts payable	\$ 2,041,993	\$ 5,256	\$ 393,161	\$ 2,440,410
Due to other funds	12,612	-	-	12,612
Due to other governmental units	78,480	-	-	78,480
Payroll deductions and withholdings	3,308,771	-	-	3,308,771
Accrued expenditures	49,253	-	-	49,253
Accrued salaries payable	3,706,383	-	-	3,706,383
Unearned revenue	4,648,798	-	109,628	4,758,426
	<u>13,846,290</u>	<u>5,256</u>	<u>502,789</u>	<u>14,354,335</u>
Total liabilities				

See Accompanying Notes to the Financial Statements

**Midland Public Schools**  
**Governmental Funds**  
**Balance Sheet**  
**June 30, 2024**

	General Fund	2023 Building and Site Project Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Deferred Inflows of Resources</b>				
Unavailable revenue				
Grants received	\$ -	\$ -	\$ 90,000	\$ 90,000
Leases	1,761,405	-	-	1,761,405
	<u>1,761,405</u>	<u>-</u>	<u>90,000</u>	<u>1,851,405</u>
Total deferred inflows of resources				
	<u>1,761,405</u>	<u>-</u>	<u>90,000</u>	<u>1,851,405</u>
<b>Fund Balances</b>				
Non-spendable				
Inventory	14,253	-	92,778	107,031
Prepaid items	347,993	-	35,523	383,516
Restricted for				
Contributions for special projects	82,691	-	-	82,691
STEM	1,452,686	-	-	1,452,686
Food service	-	-	1,544,336	1,544,336
Debt service	-	-	433,909	433,909
Capital projects	-	6,827,473	1,104,761	7,932,234
Committed - student activity	-	-	1,813,947	1,813,947
Assigned				
Charger Shop Bookstore	-	-	81,579	81,579
PRME	-	-	2,724,772	2,724,772
Subsequent years' budget	6,390,307	-	-	6,390,307
Medical expenses	1,253,011	-	-	1,253,011
Post-bond copier replacements	1,000,000	-	-	1,000,000
Technology replacement	1,750,000	-	-	1,750,000
Bus replacement	850,000	-	-	850,000
Unassigned				
Cash flow management	24,255,883	-	-	24,255,883
	<u>24,255,883</u>	<u>-</u>	<u>-</u>	<u>24,255,883</u>
Total fund balances	<u>37,396,824</u>	<u>6,827,473</u>	<u>7,831,605</u>	<u>52,055,902</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 53,004,519</u>	<u>\$ 6,832,729</u>	<u>\$ 8,424,394</u>	<u>\$ 68,261,642</u>

See Accompanying Notes to the Financial Statements

**Midland Public Schools**  
**Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position**  
**June 30, 2024**

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<b>Total fund balances for governmental funds</b>	\$ 52,055,902
Total net position for governmental activities in the statement of net position is different because:	
Certain receivables are not available to pay for current period expenditures and, therefore, are unavailable in the funds.	
Other governmental units	90,000
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Capital assets not being depreciated	717,292
Capital assets - net of accumulated depreciation	119,487,369
Net OPEB asset is not recorded as an asset in the governmental funds	2,756,702
Deferred outflows (inflows) of resources	
Deferred outflows of resources resulting from debt refunding	767,766
Deferred outflows of resources resulting from the net pension liability	45,780,375
Deferred outflows of resources resulting from the net OPEB asset	11,183,652
Deferred inflows of resources resulting from the net pension liability	(27,269,774)
Deferred inflows of resources resulting from the net OPEB asset	(22,870,918)
Certain liabilities are not due and payable in the current period and are not reported in the funds.	
Accrued interest	(444,529)
Long-term liabilities applicable to governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities.	
Net pension liability	(154,730,650)
Compensated absences	(430,833)
Bonds payable	(78,177,585)
Other loans payable and liabilities	<u>(3,085,256)</u>
<b>Net position of governmental activities</b>	<b><u>\$ (54,170,487)</u></b>

See Accompanying Notes to the Financial Statements

**Midland Public Schools**  
**Governmental Funds**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended June 30, 2024**

	General Fund	2023 Building and Site Project Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Local sources	\$ 23,075,667	\$ 295,079	\$ 9,826,516	\$ 33,197,262
State sources	75,632,333	-	1,807,913	77,440,246
Federal sources	6,861,372	-	2,805,807	9,667,179
Interdistrict sources	<u>7,267,667</u>	<u>-</u>	<u>-</u>	<u>7,267,667</u>
 Total revenues	 <u>112,837,039</u>	 <u>295,079</u>	 <u>14,440,236</u>	 <u>127,572,354</u>
<b>Expenditures</b>				
Current				
Education				
Instruction	66,217,698	-	-	66,217,698
Supporting services	37,270,597	-	946,580	38,217,177
Food services	-	-	3,900,204	3,900,204
Community services	229,601	-	-	229,601
Intergovernmental payments	28,800	-	-	28,800
Capital outlay	2,107,505	1,758,815	2,160,519	6,026,839
Debt service				
Principal	530,171	-	5,850,000	6,380,171
Interest and other expenditures	<u>46,765</u>	<u>-</u>	<u>2,696,164</u>	<u>2,742,929</u>
 Total expenditures	 <u>106,431,137</u>	 <u>1,758,815</u>	 <u>15,553,467</u>	 <u>123,743,419</u>
 Excess (deficiency) of revenues over expenditures	 <u>6,405,902</u>	 <u>(1,463,736)</u>	 <u>(1,113,231)</u>	 <u>3,828,935</u>

See Accompanying Notes to the Financial Statements

**Midland Public Schools**  
**Governmental Funds**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended June 30, 2024**

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	General Fund	2023 Building and Site Project Fund	Nonmajor Governmental Funds	Total Governmental Funds
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from issuance of leases	\$ 473,735	\$ -	\$ -	\$ 473,735
Proceeds from subscription arrangements	412,907	-	-	412,907
Proceeds from sale of capital assets	35,467	-	8,093	43,560
Transfers in	7,951	-	2,284,300	2,292,251
Transfers out	<u>(2,284,300)</u>	<u>-</u>	<u>(7,951)</u>	<u>(2,292,251)</u>
 Total other financing sources (uses)	 <u>(1,354,240)</u>	 <u>-</u>	 <u>2,284,442</u>	 <u>930,202</u>
 Net change in fund balances	 5,051,662	 (1,463,736)	 1,171,211	 4,759,137
 Fund balances - beginning	 <u>32,345,162</u>	 <u>8,291,209</u>	 <u>6,660,394</u>	 <u>47,296,765</u>
 Fund balances - ending	 <u><u>\$ 37,396,824</u></u>	 <u><u>\$ 6,827,473</u></u>	 <u><u>\$ 7,831,605</u></u>	 <u><u>\$ 52,055,902</u></u>

See Accompanying Notes to the Financial Statements

**Midland Public Schools**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances**  
**of Governmental Funds to the Statement of Activities**  
**For the Year Ended June 30, 2024**

<b>Net change in fund balances - Total governmental funds</b>	<b>\$ 4,759,137</b>
Total change in net position reported for governmental activities in the statement of activities is different because:	
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.	
Operating grants	90,000
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Depreciation and amortization expense	(6,425,926)
Capital outlay	5,175,260
Expenses are recorded when incurred in the statement of activities.	
Interest	36,970
Compensated absences	(28,008)
The statement of net position reports the net pension liability and deferred outflows of resources and deferred inflows related to the net pension liability and pension expense. However, the amount recorded on the governmental funds equals actual pension contributions.	
Net change in net pension liability	26,767,942
Net change in deferrals of resources related to the net pension liability	(23,267,607)
The statement of net position reports the net OPEB asset and deferred outflows of resources and deferred inflows related to the net OPEB asset and OPEB changes. However, the amount recorded on the governmental funds equals actual OPEB contributions.	
Net change in net OPEB asset	12,622,929
Net change in deferrals of resources related to the net OPEB asset	(3,879,128)
Bond and note proceeds and capital leases are reported as financing sources in the governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position. Also, governmental funds report the effect of premiums and similar items when debt is first issued, whereas these amounts are recorded as liabilities and amortized in the statement of activities. When debt refunding occurs, the difference in the carrying value of the refunding debt and the amount applied to the new debt is reported the same as regular debt proceeds or repayments, as a financing source or expenditure in the governmental funds. However, in the statement of net position, debt refunding may result in deferred inflows of resources or deferred outflows of resources, which are then amortized in the statement of activities.	
Debt issued	(886,642)
Repayments of long-term debt	6,380,171
Amortization of premiums	816,051
Amortization of deferred amount on debt refunding	(106,765)
<b>Change in net position of governmental activities</b>	<b><u>\$ 22,054,384</u></b>

See Accompanying Notes to the Financial Statements



**Midland Public Schools**  
**Notes to the Financial Statements**  
**June 30, 2024**

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**Note 1 - Summary of Significant Accounting Policies**

The accounting policies of Midland Public Schools (School District) conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the School District's significant accounting policies:

**Reporting Entity**

The School District is governed by an elected seven-member Board of Education. The accompanying financial statements have been prepared in accordance with criteria established by the Governmental Accounting Standards Board for determining the various governmental organizations to be included in the reporting entity. These criteria include significant operational financial relationships that determine which of the governmental organizations are a part of the School District's reporting entity, and which organizations are legally separate component units of the School District. The School District has no component units.

**District-wide Financial Statements**

The School District's basic financial statements include both district-wide (reporting for the district as a whole) and fund financial statements (reporting the School District's major funds). The district-wide financial statements categorize all nonfiduciary activities as either governmental or business type. All of the School District's activities are classified as governmental activities.

The statement of net position presents governmental activities on a consolidated basis, using the economic resources measurement focus and accrual basis of accounting. This method recognizes all long-term assets and receivables as well as long-term debt and obligations. The School District's net position is reported in three parts (1) net investment in capital assets, (2) restricted net position, and (3) unrestricted net position.

The statement of activities reports both the gross and net cost of each of the School District's functions. The functions are also supported by general government revenues (property taxes and certain intergovernmental revenues). The statement of activities reduces gross

expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants.

The net costs (by function) are normally covered by general revenue (property taxes, state sources and federal sources, interest income, etc.). The School District does not allocate indirect costs. In creating the district-wide financial statements the School District has eliminated interfund transactions.

The district-wide focus is on the sustainability of the School District as an entity and the change in the School District's net position resulting from current year activities.

**Fund Financial Statements**

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, unrestricted state aid, intergovernmental grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be available only when cash is received by the government.

**Midland Public Schools**  
**Notes to the Financial Statements**  
**June 30, 2024**

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The School District reports the following major governmental funds:

**General Fund** - The General Fund is used to record the general operations of the School District pertaining to education and those operations not required to be provided for in other funds.

**2023 Building and Site Project Fund** – The 2023 Building and Site Project Fund is used to record bond proceeds or other revenue and the disbursement of invoices specifically for acquiring new school sites, buildings, equipment, and for remodeling and repairs. The fund is kept open until the purpose for which the fund was created has been accomplished.

Additionally, the School District reports the following fund types:

**Special Revenue Funds** – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes. The School District's Special Revenue Funds include the Food Service, Charger Shop Bookstore, and Student Activity.

**Debt Service Fund** – The Debt Service Fund is used to record tax, interest, and other revenue and the payment of interest, principal, and other expenditures on long-term debt.

**Capital Projects Funds** – The nonmajor capital projects funds are used to record bond proceeds or other revenue and the disbursement of invoices specifically for acquiring new school sites, buildings, equipment, and for remodeling and repairs. The fund is kept open until the purpose for which the fund was created has been accomplished.

**Assets, Liabilities and Net Position or Equity**

**Receivables and Payables** - Generally, outstanding amounts owed between funds are classified as "due from/to other funds." These amounts are caused by transferring revenues and expenses between funds to get them into the proper reporting fund. These balances are paid back as cash flow permits.

All trade and property tax receivables are shown net of an allowance for uncollectible amounts. The School District considers all accounts receivable to be fully collectible; accordingly, no allowance for uncollectible amounts is recorded.

Property taxes collected are based upon the approved tax rate for the year of levy. For the fiscal year ended June 30, 2024, the rates are as follows per \$1,000 of assessed value.

General Fund	
Principal residence exemption	0.45310
Non-principal residence exemption	18.00000
Commercial personal property	6.45310
Industrial personal property	0.45310
Debt Service Funds	
	2.95000

School property taxes are assessed and collected in accordance with enabling state legislation by cities and townships within the School District's boundaries. Approximately 80% of the School District's tax roll lies within the City of Midland. Property taxes assessed to Midland Cogeneration Venture, Dow Chemical Co. and Consumers Energy represent approximately 9%, 6% and 2%, respectively, of total fiscal year City of Midland 2023 tax revenues.

The property tax levy runs from July 1 to June 30. Property taxes become a lien on the first day of the levy year and are due on or before September 14 or February 14. Collections are forwarded to the School District as collected by the assessing municipalities. Real property taxes uncollected as of March 1 are purchased by the County of Midland and remitted to the School District by May 15.

**Investments** - Investments are stated at fair value. Certificates of deposit are stated at cost which approximates fair value.

**Midland Public Schools**  
**Notes to the Financial Statements**  
**June 30, 2024**

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**Inventories and Prepaid Items** - 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.

Certain payments to vendors reflect costs applicable to future fiscal years. For such payments in governmental funds the School District follows the consumption method, and they therefore are capitalized as prepaid items in both district-wide and fund financial statements.

**Capital Assets** - Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their acquisition value at the date of donation. The School District defines capital assets as assets with an initial individual cost in excess of \$5,000. Costs of normal repair and maintenance that do not add to the value or materially extend asset lives are not capitalized. The School District does not have infrastructure assets. Buildings, equipment, and vehicles are depreciated using the straight-line method over the following useful lives:

Buildings and additions	7 - 50 years
Site improvements	20 years
Equipment and furniture	5 - 20 years
Buses and other vehicles	8 years

**Deferred Outflows of Resources** - A deferred outflow of resources is a consumption of net position by the government that is applicable to a future reporting period. Deferred amounts on bond refundings are included in the district-wide financials statements. The amounts represent the difference between the reacquisition price and the net carrying amount of the prior debt. For district-wide financial statements, the School District reports deferred outflows of resources as a result of pension and OPEB plan earnings. This amount is the result of a difference between what the plan expected to earn from plan investments and what is actually earned. This amount will be amortized over the next four years and included in pension and OPEB expense. Changes in assumptions relating to the net pension and OPEB liabilities (assets) are deferred and amortized over the expected remaining services lives of the employees and retirees in the plans. The

School District also reported deferred outflows of resources for pension and OPEB contributions made after the measurement date. This amount will reduce the net pension and OPEB liabilities (assets) in the following year.

**Compensated Absences** - Employees who are not teachers are awarded vacation days based on years of employment.

Sick days are earned by employees at a rate prorated at 15 days per year. There is no contractual provision for payment of unused sick days.

**Long-term Obligations** - In the district-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the 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. In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period.

In the School District's fund financial statements, the face amount of the debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts are reported as other financing uses.

**Pension** - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the 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. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Postemployment Benefits Other Than Pensions** - For purposes of measuring the net OPEB liability (asset), deferred outflows of resources

**Midland Public Schools**  
**Notes to the Financial Statements**  
**June 30, 2024**

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and deferred inflows of resources related to OPEB, 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. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Deferred Inflows of Resources** - A deferred inflow of resources is an acquisition of net position by the government that is applicable to a future reporting period. For governmental funds this includes unavailable revenue in connection with receivables for revenues that are not considered available to liquidate liabilities of the current period. Deferred inflow for leases is related to leases receivable and is being amortized to recognize lease revenue in a systematic and rational manner over the term of the lease. For district-wide financial statements, the School District reports deferred inflows of resources as a result of pension and OPEB plan earnings. This amount is the result of a difference between what the plan expected to earn from the plan investments and what the plan actually earned. This amount will be amortized over the next four years and included in pension and OPEB expense. Changes in assumptions relating to the net pension and OPEB liabilities (assets) are deferred and amortized over the expected remaining services lives of the employees and retirees in the plans. Deferred inflows of resources also includes revenue received relating to the amounts included in the deferred outflows for payments related to MPERS Unfunded Actuarial Accrued Liabilities (UAAL) Stabilization defined benefit pension statutorily required contributions.

**Fund Balance** - In the fund financial statements, governmental funds report fund balances in the following categories:

**Non-spendable** - amounts that are not available in a spendable form.

**Restricted** - amounts that are legally imposed or otherwise required by external parties to be used for a specific purpose.

**Committed** - amounts that have been formally set aside by the Board of Education for specific purposes. A fund balance commitment may be established, modified, or rescinded by a resolution of the Board of Education.

**Assigned** - amounts intended to be used for specific purposes, as determined by the Board of Education. The Board of Education has granted the Superintendent the authority to assign funds. Residual amounts in governmental funds other than the General Fund are automatically assigned by their nature.

**Unassigned** - all other resources; the remaining fund balances after non-spendable, restrictions, commitments, and assignments.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the School District's policy is to consider restricted funds spent first.

When an expenditure is incurred for purposes for which committed, assigned, or unassigned amounts could be used, the School District's policy is to consider the funds to be spent in the following order: (1) committed, (2) assigned, (3) unassigned.

**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, as well as deferred inflows and deferred outflows of resources at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

**Midland Public Schools**  
**Notes to the Financial Statements**  
**June 30, 2024**

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**Eliminations and Reclassifications**

In the process of aggregating data for the statement of net position and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the “grossing up” effect on assets and liabilities within the governmental activities column.

**Adoption of New Accounting Standards**

Statement No. 100, *Accounting Changes and Error Corrections*, improves the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. More understandable, reliable, relevant, consistent and comparable information will be provided to financial statement users for making decisions or assessing accountability. Additionally, the display and note disclosure requirements will result in more consistent, decision useful, understandable and comprehensive information for users about accounting changes and error corrections.

**Upcoming Accounting and Reporting Changes**

Statement No. 101, *Compensated Absences*, updates the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This statement is effective for the year ending June 30, 2025.

Statement No. 102, *Certain Risk Disclosures*, requires organizations to provide users of the financial statements with essential information about risks related to the organization’s vulnerabilities due to certain concentrations or constraints. This statement is effective for the year ending June 30, 2025.

Statement No. 103, *Financial Reporting Model Improvements*, improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing an organization’s accountability while also addressing certain application issues. This statement includes changes

to management’s discussion and analysis, unusual or infrequent items, presentation of the proprietary fund statements of revenues, expenses, and changes in fund net position, major component unit information, and budgetary comparison information. This statement is effective for the year ending June 30, 2026.

**Note 2 - Stewardship, Compliance, and Accountability**

**Budgetary Information**

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America and state law for the General and Special Revenue Funds. All annual appropriations lapse at fiscal year end, thereby canceling all encumbrances. These appropriations are reestablished at the beginning of the year.

The budget document presents information by fund and function. The legal level of budgetary control adopted by the governing body is the function level. State law requires the School District to have its budget in place by July 1. A district is not considered in violation of the law if reasonable procedures are in use by the School District to detect violations.

The Superintendent is authorized to transfer budgeted amounts between functions within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education.

Budgeted amounts are as originally adopted or as amended by the Board of Education throughout the year. Individual amendments were not material in relation to the original appropriations.

**Midland Public Schools**  
**Notes to the Financial Statements**  
**June 30, 2024**

**Excess of Expenditures over Appropriations**

During the year, the School District incurred expenditures in certain budgetary funds which were in excess of the amounts appropriated, as follows:

Function	Final Budget	Amount of Expenditures	Budget Variances
General Fund			
Debt service	\$ 569,645	\$ 576,936	\$ 7,291
Student Activities Fund			
Supporting services	800,000	859,149	59,149

**Compliance - Bond Proceeds**

The 2023 Building and Site Bond Fund and Energy Conservation Bond Fund include capital project activities funded with bonds. For these capital projects, the school district has complied with the applicable provisions of Section 1351a of the Revised School Code. The funds are not yet considered substantially complete for the 2023 Building and Site Bond and a subsequent year audit is expected.

Beginning with the year of bond issuance, the School District has reported the annual construction activity in the 2023 Building and Site Bond Fund and Energy Conservation Bond Fund. The project for which the Energy Conservation Bond was issued is considered complete on June 30, 2024 (June 30 immediately following date of Certificate of Substantial Completion or 95% of proceeds expended) and the cumulative expenditures recognized for the construction period were \$3,855,119.

	2023 Building and Site Bond	Energy Conservation Bond
Revenues	\$ 8,710,285	\$ 4,074,631
Expenditures	1,882,812	3,855,119

**Note 3 - Deposits and Investments**

The School District's deposits and investments were reported in the basic financial statements in the following categories:

	Governmental Activities
Cash	\$ 48,589,678
Investments	529,818
	<u>\$ 49,119,496</u>

The breakdown between deposits and investments for the School District is as follows:

Deposits (checking, savings accounts, money markets, certificates of deposit)	\$ 48,574,705
Investments in securities, mutual funds, and similar vehicles	529,818
Petty cash and cash on hand	<u>14,973</u>
Total	<u>\$ 49,119,496</u>

As of year end, the School District had the following investments:

Investment	Carrying Value	Maturities	Rating	Rating Organization
Stock	<u>\$ 529,818</u>	N/A	Unrated	N/A

**Midland Public Schools**  
**Notes to the Financial Statements**  
**June 30, 2024**

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The stock is held for the Student Activity Fund. It was donated to the School District to be used to generate income to award scholarships to worthy students. Individual scholarship provisions specify how the investments and related income may be used. The U.S. treasury notes and mutual funds are holding excess cash in the General Fund

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

**Credit risk** - 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 an office in Michigan; the School District is allowed to invest in U.S. Treasury or Agency obligations, U.S. government repurchase agreements, bankers' acceptances, commercial paper rated prime at the time of purchase that matures not 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 investment policy further limits its investment choices to only those financial institutions, brokers/dealers, intermediaries, and advisors that meet the pre-qualifications of the District as detailed in their investment policy.

**Concentration of credit risk** – The District will minimize concentration of credit risk by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized. The stock is held in one company.

**Custodial credit risk - deposits** - In the case of deposits, this 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 does not have a deposit policy

for custodial credit risk. As of year end, \$46,629,055 of the School District's bank balance of \$49,879,055 was exposed to custodial credit risk because it was uninsured and uncollateralized, and \$250,000 was insured.

**Custodial credit risk - investments** - For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of year end, none of the School District's investments were exposed to custodial credit risk.

**Custodial credit risk - investments** - **Custodial credit risk – investments** – For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities in stock were uninsured and unregistered. As of June 30, 2024, the stock, mutual funds, and U.S. treasury notes had a carrying value of \$529,818 and was held by the School District's investment management company.

#### **Note 4 - 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 asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The School District has the following recurring fair value measurements as of June 30, 2024:

- Stock of \$529,818 is valued using quoted market prices (Level 1 inputs).

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**Note 5 - Leases Receivable**

The School District has three significant agreements leasing district buildings for cell phone towers. Two of the leases commenced in November 2005 and automatically renew in 5-year terms through October 2060 unless the lessee notifies the lessor in writing of the lessee's intention not to extend the agreement at least 60 days prior to the expiration of any term. It is the School District's intent to exercise all renewals. Payments increase 10% each renewal term and range from \$1,997 to \$4,094 per month in future years with an implied interest rate of 3.07%.

The third lease commenced in October 2008 and automatically renews in 5-year terms through November 2053 unless the lessee notifies the lessor in writing of the lessee's intention not to extend the agreement at least 30 days prior to the expiration of any term. It is the School District intent to exercise all renewals. Payments increase 10% each renewal term and range from \$700 to \$1,128 per month in future years with an implied interest rate of 2.00%

The District collected \$60,260 from the tenants for the year ended June 30, 2024, which includes \$8,833 in lease revenue and \$51,427 in lease interest revenue

A lease receivable and deferred inflows have been recorded to reflect future expected payments. Future minimum lease payments are as follows:

Year ending June 30,	
2025	\$ 8,353
2026	11,797
2027	13,758
2028	14,139
2029	15,074
2030-2034	104,925
2035-2039	156,498
2040-2044	219,656
2045-2049	296,696
2050-2054	380,517
2055-2059	414,921
2060-2061	<u>125,071</u>
Total	<u>\$ 1,761,405</u>



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**Note 6 - Capital Assets**

A summary of the changes in governmental capital assets is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities</b>				
Capital assets not being depreciated				
Land	\$ 410,000	\$ -	\$ -	\$ 410,000
Construction-in-progress	<u>433,906</u>	<u>307,292</u>	<u>433,906</u>	<u>307,292</u>
Total capital assets not being depreciated	<u>843,906</u>	<u>307,292</u>	<u>433,906</u>	<u>717,292</u>
Capital assets being depreciated				
Buildings and additions	145,465,711	668,926	-	146,134,637
Site improvements	21,021,665	1,102,451	-	22,124,116
Equipment and furniture	11,707,816	1,522,606	325,692	12,904,730
Buses and other vehicles	4,475,538	840,213	465,144	4,850,607
Right to use asset - buildings and additions	-	473,735	-	473,735
Right to use asset - subscription arrangements	<u>3,364,820</u>	<u>693,943</u>	<u>224,490</u>	<u>3,834,273</u>
Total capital assets being depreciated	<u>186,035,550</u>	<u>5,301,874</u>	<u>1,015,326</u>	<u>190,322,098</u>
Less accumulated depreciation for				
Buildings and additions	45,065,920	4,019,719	-	49,085,639
Site improvements	8,987,323	796,939	-	9,784,262
Equipment and furniture	7,508,808	521,582	325,692	7,704,698
Buses and other vehicles	3,284,003	346,081	465,144	3,164,940
Right to use asset - buildings and additions	-	59,217	-	59,217
Right to use asset - subscription arrangements	<u>530,210</u>	<u>682,388</u>	<u>176,625</u>	<u>1,035,973</u>
Total accumulated depreciation	<u>65,376,264</u>	<u>6,425,926</u>	<u>967,461</u>	<u>70,834,729</u>
Net capital assets being depreciated	<u>120,659,286</u>	<u>(1,124,052)</u>	<u>47,865</u>	<u>119,487,369</u>
Net capital assets	<u>\$ 121,503,192</u>	<u>\$ (816,760)</u>	<u>\$ 481,771</u>	<u>\$ 120,204,661</u>

Depreciation expense of capital assets and amortization expense of right to use assets were charged to activities of the School District as follows:

**Governmental activities**

Instruction	\$ 3,919,815
Supporting services	2,249,074
Food services	<u>257,037</u>

Total governmental activities \$ 6,425,926

**Construction Contracts**

As of June 30, 2024, the School District had the following construction contracts in progress and commitments with contractors:

	Total Contract	Remaining Construction Commitment at Year End
<b>Project</b>		
Overhead Doors: MHS and HHD	\$ 66,845	\$ 66,845
Swim Scoreboard	64,300	64,300
Administration Building	51,967	51,967
District wide flooring	81,000	20,486
Kitchen Cooling and Carpenter	164,830	65,932
Midland High Dust Collector	91,000	91,000
Maintenance, Grounds, Stadium HVAC	310,547	213,667
HHD Boiler Project	<u>821,585</u>	<u>770,585</u>
Total	<u>\$ 1,652,075</u>	<u>\$ 1,344,783</u>

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**Note 7 - Interfund Receivables, Payables, and Transfers**

Individual interfund receivable and payable balances at year end were:

Payable Fund	Receivable Fund	Amount
General fund	2023 Building and site projects fund	\$ 5,368
General fund	Other nonmajor governmental funds	<u>7,244</u>
		<u>\$ 12,612</u>

The outstanding balances between funds result mainly from the time lag between the dates that transactions are recorded in the accounting system and payments between funds are made.

Management does not anticipate individual interfund balances to remain outstanding for periods in excess of one year.

Interfund transfers consist of the following:

	Transfers Out		
	General Fund	Nonmajor Governmental Funds	Total
Transfers in			
General Fund	\$ -	\$ 7,951	\$ 7,951
Nonmajor governmental funds	<u>2,284,300</u>	<u>-</u>	<u>2,284,300</u>
	<u>\$ 2,284,300</u>	<u>\$ 7,951</u>	<u>\$ 2,292,251</u>

Transfers were made to reimburse the general fund for indirect costs incurred by the food service program. Transfers were made from General Fund to debt funds to move property tax collections. Transfers were made from the General Fund to the PRME and Energy Conservation Bond fund for projects.

**Note 8 - Unearned Revenue**

Governmental funds report unearned revenue in connection with resources that have been received but not yet earned. At the end of the current fiscal year, the components of unearned revenue are as follows:

Grant and categorical aid payments received prior to meeting all eligibility requirements	\$ 4,641,400
Food service deposits	109,628
Other miscellaneous	<u>7,398</u>
Total	<u>\$ 4,758,426</u>

**Note 9 - Leases and Subscription Based Information Technology**

**Lease Liability**

During the 2024 fiscal year, the School District entered into a 2-year lease agreement as lessee for the use of office space. An initial lease liability was recorded in the amount of \$473,735 during the current fiscal year. As of June 30, 2024, the value of the lease liability was \$414,531. The School District is required to make annual principal and interest payments of \$20,322. The lease has an interest rate of 3.059%. The value of the right-to-use asset as of the end of the current fiscal year was \$414,518 and had accumulated amortization of \$59,217.

Annual requirements to amortize lease liabilities and related interest are as follows:

Year ending June 30,	Principal	Interest
2025	\$ 234,440	\$ 9,427
2026	<u>180,591</u>	<u>2,310</u>
Total	<u>\$ 415,031</u>	<u>\$ 11,737</u>

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**Subscription Arrangements**

The School District has entered into subscription-based information technology arrangements (SBITAs) involving:

- Various desktop and server software subscriptions
- Event registration and management software
- Electronic workflows software
- Information technology security software
- Cloud backup services software
- Document management software
- Financial and human resources services software
- Performance measurement/strategic planning/benchmarking software
- Risk management software
- A web-based job board software
- Student information system software

The future subscription payments under SBITA agreements are as follows:

Year ending June 30,	Principal	Interest
2025	\$ 582,431	\$ 50,576
2026	603,120	38,430
2027	443,478	26,459
2028	415,085	19,288
2029	291,596	12,156
2030-2033	<u>334,515</u>	<u>7,931</u>
Total	<u>\$ 2,670,225</u>	<u>\$ 154,840</u>

**Note 10 - Long-Term Debt**

The School District issues bonds, notes, and other contractual commitments to provide for the acquisition and construction of major capital facilities and the acquisition of certain equipment. General obligation bonds are direct obligations and pledge the full faith and credit of the School District. Other long-term obligations include compensated absences, SBITA's and leases.

Long-term obligation activity is summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due Within One Year
Bonds and notes payable					
General obligation bonds	\$ 79,770,000	\$ -	\$ 5,850,000	\$ 73,920,000	\$ 6,185,000
Premium on bonds	<u>5,073,636</u>	<u>-</u>	<u>816,051</u>	<u>4,257,585</u>	<u>-</u>
Total bonds payable	<u>84,843,636</u>	<u>-</u>	<u>6,666,051</u>	<u>78,177,585</u>	<u>6,185,000</u>
Other liabilities					
Leases	-	473,735	58,704	415,031	234,440
Subscriptions	2,776,650	365,042	471,467	2,670,225	582,431
Compensated absences	<u>402,825</u>	<u>698,904</u>	<u>670,896</u>	<u>430,833</u>	<u>430,000</u>
Total other liabilities	<u>3,179,475</u>	<u>1,537,681</u>	<u>1,201,067</u>	<u>3,516,089</u>	<u>1,246,871</u>
Total	<u>\$ 88,023,111</u>	<u>\$ 1,537,681</u>	<u>\$ 7,867,118</u>	<u>\$ 81,693,674</u>	<u>\$ 7,431,871</u>

For governmental activities, compensated absences, leases and subscriptions are primarily liquidated by the General Fund.

General obligation bonds payable at year end, consist of the following:

\$8,725,000 serial bonds due in annual installments of \$2,125,000 to \$2,350,000 through May 1, 2025, interest at 5.00%	\$ 2,350,000
\$39,860,000 serial bonds due in annual installments of \$1,245,000 to \$4,085,000 through May 1, 2035, interest at 0.95% to 2.33%	36,330,000
\$34,930,000 serial bonds due in annual installments of \$1,100,000 to \$2,575,000 through November 1, 2039, interest at 5.00%	25,425,000
\$3,875,000 serial bonds due in annual installments of \$215,000 to \$285,000 through May 1, 2037, interest at 2.00%	3,250,000
\$7,635,000 serial bonds due in annual installments of \$760,000 to \$1,275,000 through May 1, 2032, interest at 5.00%	<u>6,565,000</u>
Total general obligation bonded debt	<u>\$ 73,920,000</u>

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Future principal and interest requirements for bonded debt and direct borrowings and direct placements are as follows:

<u>Year Ending June 30,</u>	<u>Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 6,185,000	\$ 2,446,040
2026	5,060,000	2,193,624
2027	5,105,000	2,063,744
2028	5,185,000	1,924,174
2029	5,280,000	1,778,042
2030-2034	30,480,000	6,305,312
2035-2039	<u>16,625,000</u>	<u>1,955,312</u>
Total	<u>\$ 73,920,000</u>	<u>\$ 18,666,248</u>

The general obligation bonds are payable from the debt service funds. As of year-end, the debt service funds had a combined fund balance of \$434,659 to pay this debt. Future debt and interest will be payable from future tax levies. Other long-term debt liabilities are expected to be paid primarily by General Fund resources.

**Compensated Absences**

Accrued compensated absences at year end consist of \$430,833 of vacation hours earned and vested. The amount anticipated to be paid out over the next year is included within the amounts listed as due within one year.

**Deferred Amount on Refunding**

The 2021 advanced refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$1,064,205. The amount is reported in the accompanying statement of net position as a deferred outflow of resources and is being charged to activities through fiscal year 2035.

The activity and resulting balance of this deferred amount is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Deferred amount on refunding	\$ 874,531	\$ -	\$ 106,765	\$ 767,766

**Note 11 - Risk Management**

The School District is exposed to various risks of loss related to property loss, torts, errors and omissions, employee injuries (workers' compensation) and certain medical benefits provided to employees. The School District has purchased commercial insurance for the protection of real and personal property. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in the past three fiscal years.

The School District is subject to the Michigan Employment Security Act and has elected to pay unemployment claims on a direct self-insured basis. Under this method the School District must reimburse the Employment Commission for all benefits charged against the School District for the year. The School District's unemployment compensation expense for the year was \$1,871. An amount of \$571 has been accrued for future claims in the district-wide financial statements.

**Note 12 - Pension Plan**

**Plan Description**

The Michigan Public School Employees' Retirement System (System or MPERS) is a cost-sharing, multiple employer, state-wide, defined benefit public employee retirement plan governed by the State of Michigan (State) originally created under Public Act 136 of 1945, recodified and currently operating under the provisions of Public Act 300 of 1980, as amended. Section 25 of this act establishes the board's authority to promulgate or amend the provisions of the System. The board consists of twelve members - eleven appointed by the Governor and the State Superintendent of Instruction, who serves as an ex-officio member.

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The System's pension plan was established by the State to provide retirement, survivor, and disability benefits to public school employees. In addition, the System's health plan provides all retirees with the option of receiving health, prescription drug, dental and vision coverage under the Michigan Public School Employees' Retirement Act (1980 PA 300 as amended).

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

The System's financial statements are available on the ORS website at [www.michigan.gov/orsschools](http://www.michigan.gov/orsschools)

**Benefits Provided**

Benefit provisions of the defined benefit pension plan are established by State statute, which may be amended. Public Act 300 of 1980, as amended, establishes eligibility and benefit provisions for the defined benefit (DB) pension plan. Depending on the plan option selected, member retirement benefits are determined by final average compensation, years of service, and a pension factor ranging from 1.25 percent to 1.50 percent. DB members are eligible to receive a monthly benefit when they meet certain age and service requirements. The System also provides disability and survivor benefits to DB plan members.

A DB plan member who leaves Michigan public school employment may request a refund of his or her member contributions to the retirement system account if applicable. A refund cancels a former member's rights to future benefits. However, returning members who previously received a refund of their contributions may reinstate their service through repayment of the refund upon satisfaction of certain requirements.

**Contributions**

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

Employer contributions to the System are determined on an actuarial basis using the entry age normal actuarial cost method. Under this method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated on a level basis over the service of the individual between entry age and assumed exit age. The portion of this cost allocated to the current valuation year is called the normal cost. The remainder is called the actuarial accrued liability. Normal cost is funded on a current basis. The unfunded (overfunded) actuarial accrued liability as of the September 30, 2022 valuation will be amortized over a 16-year period beginning October 1, 2022 and ending September 30, 2038.

The schedule below summarizes pension contribution rates in effect for plan year ended September 30, 2023.

Pension Contribution Rates		
Benefit Structure	Member	Employer
Basic	0.0 - 4.0%	20.16%
Member Investment Plan	3.0 - 7.0%	20.16%
Pension Plus	3.0 - 6.4%	17.24%
Pension Plus 2	6.2%	19.95%
Defined Contribution	0.0%	13.75%

Required contributions to the pension plan from the School District were \$17,229,974 for the year ending September 30, 2023.

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

At June 30, 2024, the School District reported a liability of \$154,730,650 for its proportionate share of the MPSERS net pension liability. The net pension liability was measured as of September 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation rolled forward from September 2022. The School District's proportion of the net pension liability was determined by dividing each employer's statutorily required pension contributions to the system during the measurement period by the percent of pension contributions required from all applicable employers during the measurement period. At September 30, 2023, the School District's proportion was 0.4781 percent, which was a decrease of 0.0045 percent from its proportion measured as of September 30, 2022.

For the plan year ending September 30, 2023, the School District recognized pension expense of \$19,421,492 for the measurement period. For the reporting period ending June 30, 2024, the School District recognized total pension contribution expense of \$19,935,039.

At June 30, 2024, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Difference between expected and actual experience	\$ 4,884,375	\$ (237,023)	\$ 4,647,352
Changes of assumptions	20,966,707	(12,088,927)	8,877,780
Net difference between projected and actual earnings on pension plan investments	-	(3,166,290)	(3,166,290)
Changes in proportion and differences between the School District contributions and proportionate share of contributions	<u>1,253,859</u>	<u>(2,140,725)</u>	<u>(886,866)</u>
Total to be recognized in future	27,104,941	(17,632,965)	9,471,976
School District contributions subsequent to the measurement date	<u>18,675,434</u>	<u>(9,636,809)</u>	<u>9,038,625</u>
Total	<u>\$ 45,780,375</u>	<u>\$ (27,269,774)</u>	<u>\$ 18,510,601</u>

Contributions subsequent to the measurement date reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. The District will offset the contribution expense in the year ended June 30, 2025 with the 147c supplemental income received subsequent to the measurement date which is included in the deferred inflows of resources. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be

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recognized in pension expense as follows during the following plan years:

Deferred (Inflow) and Deferred Outflow of Resources by Year (To Be Recognized in Future Pension Expenses)	
2024	\$ 3,564,256
2025	2,035,828
2026	6,273,668
2027	(2,401,776)
	<u>\$ 9,471,976</u>

**Actuarial Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Additional information as of the latest actuarial valuation follows:

*Summary of Actuarial Assumptions:*

- Valuation Date: September 30, 2022
- Actuarial Cost Method: Entry Age, Normal
- Wage inflation rate: 2.75%
- Investment Rate of Return:
  - MIP and Basic Plans: 6.80% net of investment expenses
  - Pension Plus Plan: 6.80% net of investment expenses
  - Pension Plus 2 Plan: 6.00% net of investment expenses
- Projected Salary Increases: 2.75 - 11.55%, including wage inflation at 2.75%
- Cost-of-Living Pension Adjustments: 3% Annual Non-Compounded for MIP Members

- Mortality:
  - Retirees: PubT-2010 Male and Female Mortality Tables, scaled by 116% for males and 116% for females and adjusted for mortality improvements using projection scale MP-2021 from 2010.
  - Active: PubT-2010 Male and Female Mortality Tables, scaled 100% and adjusted for mortality improvements using projection scale MP-2021 from 2010.

Assumption changes as a result of an experience study for the period 2017 through 2022 have been adopted by the System for use in the annual pension valuations beginning with the September 30, 2023 valuation. The total pension liability as of September 30, 2023, is based on the results of an actuarial valuation date of September 30, 2022, and rolled forward using generally accepted actuarial procedures, including the experience study.

Recognition period for liabilities is the average of the expected remaining service lives of all employees is 4.4406 years.

Recognition period for assets is 5 years.

Full actuarial assumptions are available in the 2023 MPSERS Annual Comprehensive Financial Report found on the ORS website at [www.michigan.gov/orsschools](http://www.michigan.gov/orsschools).

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**Long-Term Expected Return on Plan Assets**

The long-term expected rate of return on pension 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 pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2023, are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return*
Domestic Equity Pools	25.0 %	5.8 %
Private Equity Pools	16.0	9.6
International Equity	15.0	6.8
Fixed Income Pools	13.0	1.3
Real Estate and Infrastructure Pools	10.0	6.4
Absolute Return Pools	9.0	4.8
Real Return/Opportunistic Pools	10.0	7.3
Short Term Investment Pools	2.0	0.3
	<u>100.0%</u>	

\*Long-term rates of return are net of administrative expenses and 2.7% inflation.

**Rate of Return**

For the plan year ended September 30, 2023, the annual money-weighted rate of return on pension plan investment, net of pension plan investment expense, was 8.29%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Discount Rate**

A discount rate of 6.00% was used to measure the total pension liability (6.00% for the Pension Plus plan, 6.00% for the Pension Plus 2). The projection of cash flows used to determine this discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the School District's proportionate share of the net pension liability calculated using the discount rate of 6.00% (6.00% for the Pension plus plan, 6.00% for the Pension Plus 2 plan), as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage higher:

1% Decrease 5.00%	Current Single Discount Rate Assumption 6.00%	1% Increase 7.00%
\$ 209,040,655	\$ 154,730,650	\$ 109,515,607

**Michigan Public School Employees' Retirement System (MPERS) Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued MPERS Annual Comprehensive Financial Report, available on the ORS website at [www.michigan.gov/orsschools](http://www.michigan.gov/orsschools).



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**Payables to the Michigan Public School Employees' Retirement System (MPSERS)**

There were no significant payables to the pension plan that are not ordinary accruals to the School District.

**Note 13 - Postemployment Benefits Other Than Pensions (OPEB)**  
**Plan Description**

**Plan Description**

The Michigan Public School Employees' Retirement System (System or MPSERS) is a cost-sharing, multiple employer, state-wide, defined benefit public employee retirement plan governed by the State of Michigan (State) originally created under Public Act 136 of 1945, recodified and currently operating under the provisions of Public Act 300 of 1980, as amended. Section 25 of this act establishes the board's authority to promulgate or amend the provisions of the System. The board consists of twelve members - eleven appointed by the Governor and the State Superintendent of Instruction, who serves as an ex-officio member.

The System's health plan provides all eligible retirees with the option of receiving health, prescription drug, dental and vision coverage under the Michigan Public School Employees' Retirement Act (1980 PA 300 as amended).

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

The System's financial statements are available on the ORS website at [www.michigan.gov/orsschools](http://www.michigan.gov/orsschools).

**Benefits Provided**

Benefit provisions of the postemployment healthcare plan are established by State statute, which may be amended. Public Act 300 of 1980, as amended, establishes eligibility and benefit provisions. Retirees have the option of health coverage, which, through 2012, was

funded on a cash disbursement basis. Beginning with fiscal year 2013, it is funded on a prefunded basis. The System has contracted to provide the comprehensive group medical, prescription drug, dental and vision coverage for retirees and beneficiaries. A subsidized portion of the premium is paid by the System with the balance deducted from the monthly pension of each retiree healthcare recipient. For members who first worked before July 1, 2008, (Basic, MIP-Fixed, and MIP Graded plan members) the subsidy is the maximum allowed by statute. To limit future liabilities of Other Postemployment Benefits, members who first worked on or after July 1, 2008 (MIP-Plus plan members) have a graded premium subsidy based on career length where they accrue credit towards their insurance premiums in retirement, not to exceed the maximum allowable by statute. Public Act 300 of 2012 sets the maximum subsidy at 80% beginning January 1, 2013; 90% for those Medicare eligible and enrolled in the insurances as of that date. Dependents are eligible for healthcare coverage if they meet the dependency requirements set forth in Public Act 300 of 1980, as amended.

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

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

**Midland Public Schools**  
**Notes to the Financial Statements**  
**June 30, 2024**

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date, and their prior contributions were deposited into their 401(k) account.

**Contributions**

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

Employer OPEB contributions to the System are determined on an actuarial basis using the entry age normal actuarial cost method. Under this method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated on a level basis over the service of the individual between entry age and assumed exit age. The portion of this cost allocated to the current valuation year is called the normal cost. The remainder is called the actuarial accrued liability. Normal cost is funded on a current basis. The unfunded (overfunded) actuarial accrued liability as of the September 30, 2022 valuation will be amortized over a 16-year period beginning October 1, 2022 and ending September 30, 2038.

The schedule below summarizes OPEB contribution rates in effect for plan year 2023.

OPEB Contribution Rates		
Benefit Structure	Member	Employer
Premium Subsidy	3.0%	8.07%
Personal Healthcare Fund (PHF)	0.0%	7.21%

Required contributions to the OPEB plan from the School District were \$3,796,119 for the year ended September 30, 2023.

**OPEB Liabilities or Assets, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At June 30, 2024, the School District reported an asset of \$2,756,702 for its proportionate share of the MPSERS net OPEB asset. The net OPEB asset was measured as of September 30, 2023 and the total

OPEB liability or asset used to calculate the net OPEB asset was determined by an actuarial valuation rolled forward from September 2022. The School District's proportion of the net OPEB asset was determined by dividing each employer's statutorily required OPEB contributions to the system during the measurement period by the percent of OPEB contributions required from all applicable employers during the measurement period. At September 30, 2023 the School District's proportion was 0.4873 percent, which was an increase of 0.0215 percent from its proportion measured as of September 30, 2022.

For the plan year ending September 30, 2023, the School District recognized OPEB expense of (\$4,847,235) for the measurement period. For the reporting period ending June 30, 2024, the School District recognized total OPEB contribution expense of \$3,896,993.

**Midland Public Schools**  
**Notes to the Financial Statements**  
**June 30, 2024**

At June 30, 2024, 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	Total
Difference between expected and actual experience	\$ -	\$ (20,831,059)	\$ (20,831,059)
Changes of assumptions	6,136,900	(738,999)	5,397,901
Net difference between projected and actual earnings on OPEB plan investments	8,405	-	8,405
Changes in proportion and differences between the School District contributions and proportionate share of contributions	1,663,359	(1,300,860)	362,499
Total to be recognized in future	7,808,664	(22,870,918)	(15,062,254)
School District contributions subsequent to the measurement date	3,374,988	-	3,374,988
Total	<u>\$ 11,183,652</u>	<u>\$ (22,870,918)</u>	<u>\$ (11,687,266)</u>

Contributions subsequent to the measurement date reported as deferred outflows of resources related to OPEB resulting from employer contributions subsequent to the measurement date will be recognized as an addition to the OPEB asset in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows during the following plan years:

Deferred (Inflow) and Deferred Outflow of Resources by Year (To Be Recognized in Future OPEB Expenses)	
2024	\$ (4,931,680)
2025	(4,554,740)
2026	(1,782,907)
2027	(1,880,956)
2028	(1,287,324)
Thereafter	<u>(624,647)</u>
	<u><u>\$ (15,062,254)</u></u>

**Actuarial Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Additional information as of the latest actuarial valuation follows:

*Summary of Actuarial Assumptions:*

- Valuation Date: September 30, 2022
- Actuarial Cost Method: Entry Age, Normal
- Wage inflation rate: 2.75%
- Investment Rate of Return: 6.95% net of investment expenses

**Midland Public Schools**  
**Notes to the Financial Statements**  
**June 30, 2024**

- Projected Salary Increases: 2.75 – 11.55%, including wage inflation of 2.75%
- Healthcare Cost Trend Rate: Pre-65: 7.50% Year 1 graded to 3.5% Year 15; Post-65: 6.25% Year 1 graded to 3.5% Year 15
- Mortality:
  - Retirees: PubT-2010 Male and Female Mortality Tables, scaled by 116% for males and 116% for females and adjusted for mortality improvements using projection scale MP-2021 from 2010.
  - Active: PubT-2010 Male and Female Mortality Tables, scaled 100% and adjusted for mortality improvements using projection scale MP-2021 from 2010.

*Other Assumptions:*

- Opt Out Assumption: 21% of eligible participants hired before July 1, 2008 and 30% of those hired after June 30, 2008 are assumed to opt out of the retiree health plan.
- Survivor Coverage: 80% of male retirees and 67% of female retirees are assumed to have coverages continuing after the retiree's death.
- Coverage Election at Retirement: 75% of male and 60% of female future retirees are assumed to elect coverage for 1 or more dependents.

Assumption changes as a result of an experience study for the period 2017 through 2022 have been adopted by the System for use in the annual pension valuations beginning with the September 30, 2018 valuation. The total OPEB liability or asset as of September 30, 2023, is based on the results of an actuarial valuation date of September 30, 2022, and rolled forward using generally accepted actuarial procedures, including the experience study.

Recognition period for liabilities is the average of the expected remaining service lives of all employees is 6.5099 years.

Recognition period for assets is 5 years.

Full actuarial assumptions are available in the 2023 MPSERS Annual Comprehensive Financial Report found on the ORS website at [www.michigan.gov/orsschools](http://www.michigan.gov/orsschools).

**Long-Term Expected Return on Plan Assets**

The long-term expected rate of return on 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 OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation as of September 30, 2023, are summarized in the following table:

Asset Class	Long Term Expected Real	
	Target Allocation	Rate of Return*
Domestic Equity Pools	25.0 %	5.8 %
Private Equity Pools	16.0	9.6
International Equity	15.0	6.8
Fixed Income Pools	13.0	1.3
Real Estate and Infrastructure Pools	10.0	6.4
Absolute Return Pools	9.0	4.8
Real Return/Opportunistic Pools	10.0	7.3
Short Term Investment Pools	2.0	0.3
	<u>100.0%</u>	

*\*Long-term rates of return are net of administrative expenses and 2.7% inflation.*

**Midland Public Schools**  
**Notes to the Financial Statements**  
**June 30, 2024**

**Rate of Return**

For the plan year ended September 30, 2023, the annual money-weighted rate of return on OPEB plan investment, net of OPEB plan investment expense, 7.94%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Discount Rate**

A discount rate of 6.00% was used to measure the total OPEB liability or asset. This discount rate was based on the long-term expected rate of return on OPEB plan investments of 6.00%. The projection of cash flows used to determine this discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability or asset.

**Sensitivity of the School District's Proportionate Share of the Net OPEB Liability or Asset to Changes in the Discount Rate**

The following presents the School District's proportionate share of the net OPEB liability or asset calculated using the discount rate of 6.95%, as well as what the School District's proportionate share of the net OPEB liability or asset would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage higher:

1% Decrease 5.00%	Current Discount Rate 6.00%	1% Increase 7.00%
\$ 2,857,873	\$ (2,756,702)	\$ (7,581,879)

**Sensitivity of the School District's Proportionate Share of the Net OPEB Liability or Asset to Healthcare Cost Trend Rate**

The following presents the School District's proportionate share of the net OPEB liability or asset calculated using assumed trend rates, as well as what the School District's proportionate share of net OPEB liability or asset would be if it were calculated using a trend rate that is 1-percentage-point lower or 1-percentage-point higher:

1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
\$ (7,593,909)	\$ (2,756,702)	\$ 2,478,741

**OPEB Plan Fiduciary Net Position**

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued 2023 MPERS Annual Comprehensive Financial Report, available on the ORS website at [www.michigan.gov/orsschools](http://www.michigan.gov/orsschools).

**Payables to the OPEB Plan**

There were no significant payables to the OPEB plan that are not ordinary accruals to the School District.

**Note 14 - Contingent Liabilities**

Amounts received or receivable from grantor agencies are subjected to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of costs which may be disallowed by the grantor cannot be determined at this time, although the School District expects such amounts, if any, to be immaterial. A separate report on federal compliance has been issued for the year June 30, 2024.

**Midland Public Schools**  
**Notes to the Financial Statements**  
**June 30, 2024**

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**Note 15 - Tax Abatements**

The School District receives reduced property tax revenues as a result of Industrial Facilities Tax exemptions and Brownfield Redevelopment Agreements granted by cities, villages, and townships within the County. Industrial facility exemptions are intended to promote construction of new industrial facilities, or to rehabilitate historical facilities; Brownfield redevelopment agreements are intended to reimburse taxpayers that remediate environmental contamination on their properties.

For the fiscal year ended June 30, 2024, the School District's property tax revenues were reduced by \$360,184 under these programs.

There are no significant abatements made by the School District.

## REQUIRED SUPPLEMENTARY INFORMATION

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**Midland Public Schools**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule - General Fund**  
**For the Year Ended June 30, 2024**

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
<b>Revenues</b>				
Local sources	\$ 20,673,448	\$ 22,516,377	\$ 23,075,667	\$ 559,290
State sources	71,398,628	76,066,265	75,632,333	(433,932)
Federal sources	5,518,071	7,541,668	6,861,372	(680,296)
Interdistrict sources	5,992,313	7,443,795	7,267,667	(176,128)
Total revenues	<u>103,582,460</u>	<u>113,568,105</u>	<u>112,837,039</u>	<u>(731,066)</u>
<b>Expenditures</b>				
Instruction				
Basic programs	50,291,266	53,762,908	50,235,680	(3,527,228)
Added needs	18,128,659	17,081,888	15,982,018	(1,099,870)
Supporting services				
Pupil	7,345,557	8,260,131	8,212,932	(47,199)
Instructional staff	8,035,233	7,431,746	7,371,788	(59,958)
General administration	854,264	1,298,173	1,158,547	(139,626)
School administration	5,810,670	5,780,644	5,634,167	(146,477)
Business	1,494,542	1,417,903	1,299,892	(118,011)
Operations and maintenance	7,714,608	7,276,668	6,768,083	(508,585)
Pupil transportation services	3,474,505	3,529,865	3,018,922	(510,943)
Central	3,018,715	3,221,664	2,243,520	(978,144)
Athletic activities	1,463,590	1,670,097	1,562,746	(107,351)
Community services	221,823	286,192	229,601	(56,591)
Intergovernmental payments	-	168,168	28,800	(139,368)
Capital outlay	227,500	2,327,609	2,107,505	(220,104)
Debt service				
Principal	-	563,382	530,171	(33,211)
Interest and fiscal charges	-	6,263	46,765	40,502
Total expenditures	<u>108,080,932</u>	<u>114,083,301</u>	<u>106,431,137</u>	<u>(7,652,164)</u>
Excess (deficiency) of revenues over expenditures	<u>(4,498,472)</u>	<u>(515,196)</u>	<u>6,405,902</u>	<u>6,921,098</u>



**Midland Public Schools**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule - General Fund**  
**For the Year Ended June 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Other Financing Sources (Uses)</b>				
Proceeds from issuance of leases	\$ -	\$ -	\$ 473,735	\$ 473,735
Proceeds from subscription arrangements	-	591,735	412,907	(178,828)
Proceeds from sale of capital assets	15,000	35,500	35,467	(33)
Transfers in	8,000	8,800	7,951	(849)
Transfers out	<u>(290,000)</u>	<u>(2,290,000)</u>	<u>(2,284,300)</u>	<u>5,700</u>
Total other financing sources (uses)	<u>(267,000)</u>	<u>(1,653,965)</u>	<u>(1,354,240)</u>	<u>299,725</u>
Net change in fund balances	(4,765,472)	(2,169,161)	5,051,662	7,220,823
Fund balance - beginning	<u>32,345,162</u>	<u>32,345,162</u>	<u>32,345,162</u>	<u>-</u>
Fund balance - ending	<u>\$ 27,579,690</u>	<u>\$ 30,176,001</u>	<u>\$ 37,396,824</u>	<u>\$ 7,220,823</u>

**Midland Public Schools**  
**Required Supplementary Information**  
**Schedule of the School District's Proportionate Share of the Net Pension Liability**  
**Michigan Public School Employees Retirement Plan**  
**Last 10 Fiscal Years (Measurement Date September 30th, of Each June Fiscal Year)**

	June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
A. School District's proportion of net pension liability (%)	0.4781%	0.4826%	0.4878%	0.4762%	0.4762%	0.4720%	0.4767%	0.4848%	0.5099%	0.5161%
B. School District's proportionate share of net pension liability	\$ 154,730,650	\$ 181,498,592	\$ 115,478,560	\$ 163,573,436	\$ 163,573,436	\$ 156,304,199	\$ 143,296,386	\$ 125,634,585	\$ 127,217,694	\$ 126,056,999
C. School District's covered payroll	\$ 48,705,664	\$ 45,179,074	\$ 44,694,023	\$ 42,406,036	\$ 42,406,036	\$ 41,119,528	\$ 40,328,615	\$ 39,710,028	\$ 42,731,125	\$ 42,932,455
D. School District's proportionate share of net pension liability as a percentage of its covered payroll	317.69%	401.73%	258.38%	385.73%	385.73%	380.12%	355.32%	316.38%	297.72%	293.62%
E. Plan fiduciary net position as a percentage of total pension liability	65.91%	60.77%	72.60%	59.72%	59.72%	60.31%	62.36%	64.21%	63.27%	63.17%

**Note Disclosures**

Changes of benefit terms: There were no changes of benefit terms in plan fiscal year 2023.

Changes of benefit assumptions: There were no changes of benefit assumptions in plan fiscal year 2023.

**Midland Public Schools**  
**Required Supplementary Information**  
**Schedule of the School District's Pension Contributions**  
**Michigan Public School Employees Retirement Plan**  
**Last 10 Fiscal Years**

	For the Years Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
A. Statutorily required contributions	\$ 19,935,039	\$ 17,201,254	\$ 16,349,620	\$ 14,618,424	\$ 12,950,251	\$ 12,408,361	\$ 13,031,500	\$ 9,514,853	\$ 7,903,041	\$ 11,142,292
B. Contributions in relation to statutorily required contributions	<u>19,935,039</u>	<u>17,201,254</u>	<u>16,349,620</u>	<u>14,618,424</u>	<u>12,950,251</u>	<u>12,408,361</u>	<u>13,031,500</u>	<u>9,514,853</u>	<u>7,903,041</u>	<u>11,142,292</u>
C. Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D. School Districts's covered payroll	\$ 49,437,101	\$ 49,714,752	\$ 44,524,242	\$ 44,393,572	\$ 42,137,142	\$ 40,752,245	\$ 40,083,864	\$ 50,890,617	\$ 41,203,107	\$ 43,433,366
E. Contributions as a percentage of covered payroll	40.32%	34.60%	36.72%	32.93%	30.73%	30.45%	32.51%	18.70%	19.18%	25.65%

**Midland Public Schools**  
**Required Supplementary Information**  
**Schedule of the School District's Proportionate Share of the Net OPEB Liability (Asset)**  
**Michigan Public School Employees Retirement Plan**  
**Last 10 Fiscal Years (Measurement Date September 30th, of Each June Fiscal Year)**

	June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
A. School District's proportion of the net OPEB liability (asset) (%)	0.4873%	0.4658%	0.4955%	0.4793%	0.4711%	0.4743%	0.4863%			
B. School District's proportionate share of the net OPEB liability (asset)	\$ (2,756,702)	\$ 9,866,227	\$ 7,563,003	\$ 25,676,573	\$ 33,817,889	\$ 37,704,253	\$ 43,060,419			
C. School District's covered payroll	\$ 48,705,664	\$ 45,179,074	\$ 44,694,023	\$ 42,406,036	\$ 41,119,528	\$ 40,328,615	\$ 39,710,028			
D. School District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	-5.66%	21.84%	16.92%	60.55%	82.24%	93.49%	108.44%			
E. Plan fiduciary net position as a percentage of total OPEB liability (asset)	105.04%	83.09%	87.33%	59.44%	36.39%	42.95%	36.39%			

**Note Disclosures**

Changes of benefit terms: There were no changes of benefit terms in plan fiscal year 2023.

Changes of benefit assumptions: There were no changes of benefit assumptions in plan fiscal year 2023.

**Midland Public Schools**  
**Required Supplementary Information**  
**Schedule of the School District's OPEB Contributions**  
**Michigan Public School Employees Retirement Plan**  
**Last 10 Fiscal Years**

	For the Years Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
A. Statutorily required contributions	\$ 3,896,993	\$ 3,778,535	\$ 3,538,789	\$ 3,658,895	\$ 3,452,808	\$ 3,267,826	\$ 2,970,754			
B. Contributions in relation to statutorily required contributions	<u>3,896,993</u>	<u>3,778,535</u>	<u>3,538,789</u>	<u>3,658,895</u>	<u>3,452,808</u>	<u>3,267,826</u>	<u>2,970,754</u>			
C. Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>			
D. School Districts's covered payroll	\$ 49,437,101	\$ 49,714,752	\$ 44,524,242	\$ 44,393,572	\$ 42,137,142	\$ 40,752,245	40,083,864			
E. Contributions as a percentage of covered payroll	7.88%	7.60%	7.95%	8.24%	8.19%	8.02%	7.41%			

## OTHER SUPPLEMENTARY INFORMATION

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**Midland Public Schools**  
**Other Supplementary Information**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet**  
**June 30, 2024**

	Special Revenue Funds			Debt Service Funds					Capital Projects Funds			Total
	Charger Shop Bookstore	Food Service	Student Activity	2015 Building and Site Bond Fund	2019 Building and Site Bond Fund	Energy Conservation Bond Fund	2021 Refunding Bond Fund	2023 Building and Site Bond Fund	PRME	2019 Building and Site Bond Bond Fund	Energy Conservation Bond Fund	Nonmajor Governmental Funds
<b>Assets</b>												
Cash	\$ 83,359	\$ 1,678,824	\$ 1,345,770	\$ 116,111	\$ 109,571	\$ 249	\$ 105,158	\$ 91,186	\$ 2,850,139	\$ 943,429	\$ 229,712	\$ 7,553,508
Taxes receivable	-	-	-	1,607	1,554	-	1,183	1,046	-	-	-	5,390
Accounts receivable	12	-	15,272	-	-	-	-	-	-	-	-	15,284
Contributions receivable	-	-	90,000	-	-	-	-	-	-	-	-	90,000
Due from other funds	-	-	-	2,363	2,357	-	1,876	648	-	-	-	7,244
Due from other governmental units	-	94,849	-	-	-	-	-	-	-	-	-	94,849
Inventory	-	92,778	-	-	-	-	-	-	-	-	-	92,778
Investments	-	-	529,818	-	-	-	-	-	-	-	-	529,818
Prepaid items	-	18,001	16,772	-	-	375	-	375	-	-	-	35,523
Total assets	\$ 83,371	\$ 1,884,452	\$ 1,997,632	\$ 120,081	\$ 113,482	\$ 624	\$ 108,217	\$ 93,255	\$ 2,850,139	\$ 943,429	\$ 229,712	\$ 8,424,394
<b>Liabilities</b>												
Accounts payable	\$ 1,792	\$ 119,709	\$ 76,913	\$ 500	\$ 500	\$ -	\$ -	\$ -	\$ 125,367	\$ 58,180	\$ 10,200	\$ 393,161
Unearned revenue	-	109,628	-	-	-	-	-	-	-	-	-	109,628
Total liabilities	1,792	229,337	76,913	500	500	-	-	-	125,367	58,180	10,200	502,789
<b>Deferred Inflows of Resources</b>												
Grants received	-	-	90,000	-	-	-	-	-	-	-	-	90,000
<b>Fund Balances</b>												
Non-spendable												
Inventory	-	92,778	-	-	-	-	-	-	-	-	-	92,778
Prepaid items	-	18,001	16,772	-	-	375	-	375	-	-	-	35,523
Restricted for												
Food service	-	1,544,336	-	-	-	-	-	-	-	-	-	1,544,336
Debt service	-	-	-	119,581	112,982	249	108,217	92,880	-	-	-	433,909
Capital projects	-	-	-	-	-	-	-	-	-	885,249	219,512	1,104,761
Committed	-	-	1,813,947	-	-	-	-	-	-	-	-	1,813,947
Assigned	81,579	-	-	-	-	-	-	-	2,724,772	-	-	2,806,351
Total fund balances	81,579	1,655,115	1,830,719	119,581	112,982	624	108,217	93,255	2,724,772	885,249	219,512	7,831,605
Total liabilities, deferred inflows of resources, and fund balances	\$ 83,371	\$ 1,884,452	\$ 1,997,632	\$ 120,081	\$ 113,482	\$ 624	\$ 108,217	\$ 93,255	\$ 2,850,139	\$ 943,429	\$ 229,712	\$ 8,424,394

**Midland Public Schools**  
**Other Supplementary Information**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended June 30, 2024**

	Special Revenue Funds			Debt Service Funds					Capital Projects Funds			Total Nonmajor Governmental Funds
	Charger Shop Bookstore	Food Service	Student Activity	2015 Building and Site Bond Fund	2019 Building and Site Bond Fund	Energy Conservation Bond Fund	2021 Refunding Bond Fund	2023 Building and Site Bond Fund	PRME	2019 Building and Site Bond Bond Fund	Energy Conservation Bond Fund	
<b>Revenues</b>												
Local sources	\$ 84,573	\$ 335,677	\$ 1,053,210	\$ 2,408,590	\$ 2,322,548	\$ 467	\$ 1,912,120	\$ 1,561,377	\$ 101,813	\$ 38,056	\$ 8,085	\$ 9,826,516
State sources	-	1,807,913	-	-	-	-	-	-	-	-	-	1,807,913
Federal sources	-	2,805,807	-	-	-	-	-	-	-	-	-	2,805,807
Total revenues	<u>84,573</u>	<u>4,949,397</u>	<u>1,053,210</u>	<u>2,408,590</u>	<u>2,322,548</u>	<u>467</u>	<u>1,912,120</u>	<u>1,561,377</u>	<u>101,813</u>	<u>38,056</u>	<u>8,085</u>	<u>14,440,236</u>
<b>Expenditures</b>												
Current												
Education												
Supporting services	73,315	-	859,149	2,911	3,567	56	1,914	667	-	5,001	-	946,580
Food services	-	3,900,204	-	-	-	-	-	-	-	-	-	3,900,204
Capital outlay	-	512,007	-	-	-	-	-	-	517,462	1,065,950	65,100	2,160,519
Debt service												
Principal	-	-	-	2,225,000	1,100,000	215,000	1,240,000	1,070,000	-	-	-	5,850,000
Interest and other expenditures	-	-	-	229,449	1,326,913	69,627	672,720	397,455	-	-	-	2,696,164
Total expenditures	<u>73,315</u>	<u>4,412,211</u>	<u>859,149</u>	<u>2,457,360</u>	<u>2,430,480</u>	<u>284,683</u>	<u>1,914,634</u>	<u>1,468,122</u>	<u>517,462</u>	<u>1,070,951</u>	<u>65,100</u>	<u>15,553,467</u>
Excess (deficiency) of revenues over expenditures	<u>11,258</u>	<u>537,186</u>	<u>194,061</u>	<u>(48,770)</u>	<u>(107,932)</u>	<u>(284,216)</u>	<u>(2,514)</u>	<u>93,255</u>	<u>(415,649)</u>	<u>(1,032,895)</u>	<u>(57,015)</u>	<u>(1,113,231)</u>
<b>Other Financing Sources (Uses)</b>												
Proceeds from sale of capital assets	-	8,093	-	-	-	-	-	-	-	-	-	8,093
Transfers in	-	-	-	-	-	284,300	-	-	2,000,000	-	-	2,284,300
Transfers out	-	(7,951)	-	-	-	-	-	-	-	-	-	(7,951)
Total other financing sources (uses)	<u>-</u>	<u>142</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>284,300</u>	<u>-</u>	<u>-</u>	<u>2,000,000</u>	<u>-</u>	<u>-</u>	<u>2,284,442</u>
Net change in fund balances	11,258	537,328	194,061	(48,770)	(107,932)	84	(2,514)	93,255	1,584,351	(1,032,895)	(57,015)	1,171,211
Fund balances - beginning	<u>70,321</u>	<u>1,117,787</u>	<u>1,636,658</u>	<u>168,351</u>	<u>220,914</u>	<u>540</u>	<u>110,731</u>	<u>-</u>	<u>1,140,421</u>	<u>1,918,144</u>	<u>276,527</u>	<u>6,660,394</u>
Fund balances - ending	<u>\$ 81,579</u>	<u>\$ 1,655,115</u>	<u>\$ 1,830,719</u>	<u>\$ 119,581</u>	<u>\$ 112,982</u>	<u>\$ 624</u>	<u>\$ 108,217</u>	<u>\$ 93,255</u>	<u>\$ 2,724,772</u>	<u>\$ 885,249</u>	<u>\$ 219,512</u>	<u>\$ 7,831,605</u>



**Midland Public Schools**  
**Other Supplementary Information**  
**General Fund**  
**Comparative Balance Sheet**  
**June 30, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
<b>Assets</b>		
Cash	\$ 34,208,809	\$ 15,939,541
Accounts receivable	43,290	35,753
Leases receivable	1,761,405	1,746,711
Due from other governmental units	16,576,319	16,149,830
Interest receivable	52,450	40,899
Inventory	14,253	33,246
Investments	-	10,483,110
Prepaid items	<u>347,993</u>	<u>239,488</u>
 Total assets	 <u><u>\$ 53,004,519</u></u>	 <u><u>\$ 44,668,578</u></u>
<b>Liabilities</b>		
Accounts payable	\$ 2,041,993	\$ 1,616,069
Due to other funds	12,612	-
Due to other governmental units	78,480	110,608
Payroll deductions and withholdings	3,308,771	3,621,025
Accrued expenditures	49,253	52,300
Accrued salaries payable	3,706,383	3,469,368
Unearned revenue	<u>4,648,798</u>	<u>1,707,335</u>
 Total liabilities	 <u><u>13,846,290</u></u>	 <u><u>10,576,705</u></u>

**Midland Public Schools**  
**Other Supplementary Information**  
**General Fund**  
**Comparative Balance Sheet**  
**June 30, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
<b>Deferred Inflows of Resources</b>		
Unavailable revenue		
Leases	\$ 1,761,405	\$ 1,746,711
<b>Fund Balances</b>		
Non-spendable		
Inventory	14,253	33,246
Prepaid items	347,993	239,488
Restricted for		
Contributions for special projects	82,691	86,840
STEM	1,452,686	1,589,776
Assigned		
Subsequent years' budget	6,390,307	4,765,472
Medical expenses	1,253,011	1,145,679
Post-bond copier replacements	1,000,000	1,000,000
Technology replacement	1,750,000	1,500,000
Bus replacement	850,000	600,000
Unassigned		
Cash flow management	<u>24,255,883</u>	<u>21,384,661</u>
Total fund balances	<u>37,396,824</u>	<u>32,345,162</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 53,004,519</u>	<u>\$ 44,668,578</u>

**Midland Public Schools**  
**Other Supplementary Information**  
**General Fund**  
**Schedule of Revenues**  
**For the Year Ended June 30, 2024**

	<u>2024</u>	<u>2023</u>
<b>Revenue from local sources</b>		
Property tax levy	\$ 19,905,553	\$ 19,301,377
Tuition	34,912	17,715
Transportation fees	31,372	27,726
Earnings on investments	1,291,931	648,011
Student activities	375,512	339,734
Community service activities	885,633	740,651
Other local revenues	<u>550,754</u>	<u>505,527</u>
Total revenues from local sources	<u>23,075,667</u>	<u>21,580,741</u>
<b>Revenues from state sources</b>		
Grants - unrestricted	52,661,557	51,748,026
Grants - restricted	22,808,441	23,813,665
State payments in lieu of taxes	<u>162,335</u>	<u>276,603</u>
Total revenues from state sources	<u>75,632,333</u>	<u>75,838,294</u>
<b>Revenues from federal sources</b>		
Grants	<u>6,861,372</u>	<u>4,379,703</u>
<b>Interdistrict sources</b>		
Tuition	336,392	267,483
ISD collected millage	5,431,090	5,228,133
Cooperative education	108,503	108,804
Other	<u>1,391,682</u>	<u>1,037,727</u>
Total interdistrict sources	<u>7,267,667</u>	<u>6,642,147</u>
<b>Other financing sources</b>		
Proceeds from issuance of leases	473,735	-
Proceeds from subscription arrangements	412,907	989,674
Proceeds from sale of capital assets	35,467	20,911
Transfers in	<u>7,951</u>	<u>9,212</u>
Total other financing sources	<u>930,060</u>	<u>1,019,797</u>
Total revenue and other financing sources	<u><u>\$ 113,767,099</u></u>	<u><u>\$ 109,460,682</u></u>

**Midland Public Schools**  
**Other Supplementary Information**  
**General Fund**  
**Schedule of Expenditures**  
**For the Year Ended June 30, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
<b>Basic program - elementary</b>		
Salaries	\$ 12,228,024	\$ 11,919,175
Employee benefits	9,338,203	9,992,974
Purchased services	586,022	426,597
Supplies and materials	898,708	480,917
Other	<u>58,267</u>	<u>106,377</u>
Total elementary	<u>23,109,224</u>	<u>22,926,040</u>
<b>Basic program - middle school</b>		
Salaries	5,600,466	5,593,203
Employee benefits	4,172,712	4,606,938
Purchased services	160,874	120,958
Supplies and materials	158,520	119,964
Other	<u>55,834</u>	<u>17,562</u>
Total middle school	<u>10,148,406</u>	<u>10,458,625</u>

**Midland Public Schools**  
**Other Supplementary Information**  
**General Fund**  
**Schedule of Expenditures**  
**For the Year Ended June 30, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
<b>Basic program - high school</b>		
Salaries	\$ 7,604,711	\$ 7,546,751
Employee benefits	5,745,439	6,266,424
Purchased services	871,992	477,454
Supplies and materials	1,213,109	228,313
Other	<u>29,870</u>	<u>40,411</u>
Total high school	<u>15,465,121</u>	<u>14,559,353</u>
 <b>Basic program - pre-school</b>		
Salaries	333,743	385,026
Employee benefits	347,976	380,911
Purchased services	18,154	2,323
Supplies and materials	8,398	19,559
Other	<u>175</u>	<u>150</u>
Total pre-school	<u>708,446</u>	<u>787,969</u>
 <b>Basic program - summer school</b>		
Salaries	474,086	416,376
Employee benefits	265,732	232,597
Purchased services	7,131	34,843
Supplies and materials	<u>57,534</u>	<u>55,846</u>
Total summer school	<u>804,483</u>	<u>739,662</u>

**Midland Public Schools**  
**Other Supplementary Information**  
**General Fund**  
**Schedule of Expenditures**  
**For the Year Ended June 30, 2024 and 2023**

	2024	2023
<b>Added needs - special education</b>		
Salaries	\$ 6,368,831	\$ 6,025,074
Employee benefits	4,931,942	4,905,193
Purchased services	131,731	192,975
Supplies and materials	24,625	17,756
Other	1,568,978	1,496,116
	<u>13,026,107</u>	<u>12,637,114</u>
Total special education		
<b>Added needs - compensatory education</b>		
Salaries	752,207	562,852
Employee benefits	545,904	347,610
Purchased services	145,255	129,800
Supplies and materials	5,711	5,876
	<u>1,449,077</u>	<u>1,046,138</u>
Total compensatory education		
<b>Added needs - career and technical education</b>		
Salaries	720,480	683,561
Employee benefits	542,344	484,326
Purchased services	68,612	49,225
Supplies and materials	38,131	35,480
Other	137,267	93,951
	<u>1,506,834</u>	<u>1,346,543</u>
Total career and technical education		

**Midland Public Schools**  
**Other Supplementary Information**  
**General Fund**  
**Schedule of Expenditures**  
**For the Year Ended June 30, 2024 and 2023**

	2024	2023
<b>Pupil - guidance services</b>		
Salaries	\$ 676,445	\$ 645,609
Employee benefits	520,734	553,015
Purchased services	83,244	68,253
Supplies and materials	<u>16,778</u>	<u>5,059</u>
Total guidance services	<u>1,297,201</u>	<u>1,271,936</u>
 <b>Pupil - health services</b>		
Salaries	442,098	425,145
Employee benefits	361,862	334,030
Purchased services	31,440	90,160
Supplies and materials	6,132	3,112
Other	<u>708</u>	<u>490</u>
Total health services	<u>842,240</u>	<u>852,937</u>
 <b>Pupil - psychological services</b>		
Salaries	342,587	303,519
Employee benefits	274,373	229,335
Purchased services	37,724	4,840
Supplies and materials	<u>5,120</u>	<u>4,118</u>
Total psychological services	<u>659,804</u>	<u>541,812</u>

**Midland Public Schools**  
**Other Supplementary Information**  
**General Fund**  
**Schedule of Expenditures**  
**For the Year Ended June 30, 2024 and 2023**

	2024	2023
<b>Pupil - speech services</b>		
Salaries	\$ 898,912	\$ 829,713
Employee benefits	666,950	576,785
Purchased services	547	864
Supplies and materials	6,419	4,549
Other	600	1,226
	<u>1,573,428</u>	<u>1,413,137</u>
Total speech services		
<b>Pupil - social work services</b>		
Salaries	1,003,139	780,004
Employee benefits	759,046	561,455
Purchased services	87,085	61,103
Supplies and materials	2,649	757
	<u>1,851,919</u>	<u>1,403,319</u>
Total social work services		
<b>Pupil - teacher consultant</b>		
Salaries	435,175	418,348
Employee benefits	317,939	286,746
Purchased services	533	340
Supplies and materials	160	207
	<u>753,807</u>	<u>705,641</u>
Total teacher consultant		



**Midland Public Schools**  
**Other Supplementary Information**  
**General Fund**  
**Schedule of Expenditures**  
**For the Year Ended June 30, 2024 and 2023**

	2024	2023
<b>Pupil - other support services</b>		
Salaries	\$ 663,902	\$ 634,167
Employee benefits	503,748	450,539
Purchased services	49,733	46,407
Supplies and materials	<u>17,150</u>	<u>13,225</u>
Total other pupil support services	<u>1,234,533</u>	<u>1,144,338</u>
<b>Instructional staff - improvement of education</b>		
Salaries	2,053,955	2,339,683
Employee benefits	1,481,581	1,645,214
Purchased services	243,909	291,326
Supplies and materials	17,419	30,744
Other	<u>19,957</u>	<u>20,607</u>
Total improvement of education	<u>3,816,821</u>	<u>4,327,574</u>
<b>Instructional staff - educational media services</b>		
Salaries	258,103	240,063
Employee benefits	303,581	278,575
Purchased services	10,544	15,524
Supplies and materials	49,797	37,298
Other	<u>-</u>	<u>58</u>
Total educational media services	<u>622,025</u>	<u>571,518</u>

**Midland Public Schools**  
**Other Supplementary Information**  
**General Fund**  
**Schedule of Expenditures**  
**For the Year Ended June 30, 2024 and 2023**

	2024	2023
<b>Instructional staff - technology assisted instruction</b>		
Salaries	\$ 663,082	\$ 615,347
Employee benefits	539,663	534,788
Purchased services	391,491	478,887
Supplies and materials	<u>10,989</u>	<u>8,445</u>
Total technology assisted instruction	<u>1,605,225</u>	<u>1,637,467</u>
<b>Instructional staff - supervision and direction of instructional staff</b>		
Salaries	675,293	658,380
Employee benefits	496,888	478,404
Purchased services	6,135	5,753
Supplies and materials	2,235	2,992
Other	<u>633</u>	<u>700</u>
Total supervision and direction of instructional staff	<u>1,181,184</u>	<u>1,146,229</u>
<b>Instructional staff - academic student assessment</b>		
Salaries	55,262	54,542
Employee benefits	48,741	51,022
Purchased services	<u>42,530</u>	<u>17,000</u>
Total academic student assessment	<u>146,533</u>	<u>122,564</u>

**Midland Public Schools**  
**Other Supplementary Information**  
**General Fund**  
**Schedule of Expenditures**  
**For the Year Ended June 30, 2024 and 2023**

	2024	2023
<b>General administration - board of education</b>		
Purchased services	\$ 282,101	\$ 90,467
Other	<u>15,132</u>	<u>15,881</u>
Total board of education	<u>297,233</u>	<u>106,348</u>
<b>General administration - executive administration</b>		
Salaries	485,979	453,977
Employee benefits	347,241	340,127
Purchased services	25,151	22,107
Supplies and materials	2,875	1,445
Other	<u>68</u>	<u>-</u>
Total executive administration	<u>861,314</u>	<u>817,656</u>
<b>School administration - office of the principal</b>		
Salaries	3,169,548	3,146,587
Employee benefits	2,413,195	2,459,785
Purchased services	12,566	13,429
Supplies and materials	32,956	28,873
Other	<u>5,902</u>	<u>3,824</u>
Total office of the principal	<u>5,634,167</u>	<u>5,652,498</u>

**Midland Public Schools**  
**Other Supplementary Information**  
**General Fund**  
**Schedule of Expenditures**  
**For the Year Ended June 30, 2024 and 2023**

	2024	2023
<b>Business - fiscal services</b>		
Salaries	\$ 544,074	\$ 459,709
Employee benefits	410,072	352,722
Purchased services	28,325	20,852
Supplies and materials	5,276	7,653
Other	23,567	24,611
	<u>1,011,314</u>	<u>865,547</u>
Total fiscal services		
<b>Business - internal services</b>		
Purchased services	15,247	10,245
Supplies and materials	108,308	115,279
	<u>123,555</u>	<u>125,524</u>
Total internal services		
<b>Business - other</b>		
Purchased services	47,966	93,718
Other	117,057	2,263,944
	<u>165,023</u>	<u>2,357,662</u>
Total other business		

**Midland Public Schools**  
**Other Supplementary Information**  
**General Fund**  
**Schedule of Expenditures**  
**For the Year Ended June 30, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
<b>Operations and maintenance - operating building services</b>		
Salaries	\$ 1,124,816	\$ 965,863
Employee benefits	950,286	822,540
Purchased services	2,917,952	2,698,199
Supplies and materials	1,699,615	1,971,442
Other	<u>316</u>	<u>19</u>
Total operating building services	<u>6,692,985</u>	<u>6,458,063</u>
<b>Operations and maintenance - security services</b>		
Purchased services	43,750	58,600
Supplies and materials	<u>31,348</u>	<u>-</u>
Total security services	<u>75,098</u>	<u>58,600</u>
<b>Pupil transportation services</b>		
Salaries	1,427,780	1,383,253
Employee benefits	1,129,024	1,149,087
Purchased services	104,020	121,760
Supplies and materials	319,582	362,860
Other	<u>38,516</u>	<u>7,669</u>
Total transportation services	<u>3,018,922</u>	<u>3,024,629</u>

**Midland Public Schools**  
**Other Supplementary Information**  
**General Fund**  
**Schedule of Expenditures**  
**For the Year Ended June 30, 2024 and 2023**

	2024	2023
<b>Central - communication services</b>		
Salaries	\$ 65,047	\$ 65,830
Employee benefits	57,858	54,487
Purchased services	5,855	23,632
Supplies and materials	3,632	434
	<u>132,392</u>	<u>144,383</u>
Total communication services		
	<u>132,392</u>	<u>144,383</u>
<b>Central - staff/personnel services</b>		
Salaries	303,375	265,359
Employee benefits	204,548	195,163
Purchased services	132,539	77,048
Supplies and materials	11,870	23,387
Other	6,343	4,260
	<u>658,675</u>	<u>565,217</u>
Total staff/personnel services		
	<u>658,675</u>	<u>565,217</u>
<b>Central - support services technology</b>		
Salaries	300,882	263,290
Employee benefits	220,990	212,469
Purchased services	494,559	558,058
Supplies and materials	62,622	45,006
Other	10,452	15,146
	<u>1,089,505</u>	<u>1,093,969</u>
Total support services technology		
	<u>1,089,505</u>	<u>1,093,969</u>

**Midland Public Schools**  
**Other Supplementary Information**  
**General Fund**  
**Schedule of Expenditures**  
**For the Year Ended June 30, 2024 and 2023**

	2024	2023
<b>Central - pupil accounting</b>		
Salaries	\$ 48,099	\$ 46,888
Employee benefits	38,016	40,196
Purchased services	1,418	1,215
Other	<u>1,250</u>	<u>135</u>
Total pupil accounting	<u>88,783</u>	<u>88,434</u>
 <b>Central - other</b>		
Salaries	89,852	83,460
Employee benefits	68,735	44,802
Purchased services	4,792	557
Supplies and materials	<u>2,506</u>	<u>308</u>
Total other central	<u>165,885</u>	<u>129,127</u>
 <b>Athletic activities</b>		
Salaries	570,401	541,275
Employee benefits	336,098	308,979
Purchased services	408,205	246,440
Supplies and materials	140,097	77,975
Other	<u>107,945</u>	<u>90,368</u>
Total athletic activities	<u>1,562,746</u>	<u>1,265,037</u>

**Midland Public Schools**  
**Other Supplementary Information**  
**General Fund**  
**Schedule of Expenditures**  
**For the Year Ended June 30, 2024 and 2023**

	2024	2023
<b>Other supporting services</b>		
Salaries	\$ 68,762	\$ 66,913
Employee benefits	<u>39,518</u>	<u>35,036</u>
Total other supporting services	<u>108,280</u>	<u>101,949</u>
 <b>Community services - direction</b>		
Purchased services	-	95
Supplies and materials	<u>-</u>	<u>301</u>
Total direction	<u>-</u>	<u>396</u>
 <b>Community services - community recreation</b>		
Salaries	-	7,174
Employee benefits	<u>-</u>	<u>3,671</u>
Total community recreation	<u>-</u>	<u>10,845</u>
 <b>Community services - community activities</b>		
Salaries	38,847	34,760
Employee benefits	29,411	25,289
Purchased services	2,633	659
Supplies and materials	<u>15,988</u>	<u>12,447</u>
Total community activities	<u>86,879</u>	<u>73,155</u>



**Midland Public Schools**  
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	2024	2023
<b>Community services - welfare activities</b>		
Salaries	\$ 27,186	\$ 26,834
Employee benefits	25,901	26,916
Purchased services	<u>306</u>	<u>42</u>
Total welfare activities	<u>53,393</u>	<u>53,792</u>
<b>Community services - non-public school pupils</b>		
Salaries	43,400	35,271
Employee benefits	34,201	23,405
Purchased services	11,330	3,959
Supplies and materials	<u>398</u>	<u>208</u>
Total non-public school pupils	<u>89,329</u>	<u>62,843</u>
<b>Intergovernmental payments</b>		
Payments to sub recipients	<u>28,800</u>	<u>-</u>

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	2024	2023
<b>Capital outlay</b>		
Basic program - elementary	\$ 514	\$ 30,041
Basic program - middle school	45,266	33,736
Basic program - high school	87,062	47,298
Added needs - career and technical education	496,226	222,743
Pupil - speech services	-	617
Instructional staff - improvement of education	537	651
School administration - office of the principal	3,074	614
Operations and maintenance - operating building services	165,533	1,250,265
Operations and maintenance - security services	42,819	-
Pupil transportation services	-	58,426
Central - staff/personnel services	-	1,264
Central - support services technology	792,739	1,093,128
Athletic activities	-	8,090
Facilities acquisition	473,735	745,119
	<u>2,107,505</u>	<u>3,491,992</u>
Total capital outlay		

**Midland Public Schools**  
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	<u>2024</u>	<u>2023</u>
<b>Debt service</b>		
Principal	\$ 530,171	\$ 413,445
Interest and other expenditures	<u>46,765</u>	<u>481</u>
 Total debt service	 <u>576,936</u>	 <u>413,926</u>
 <b>Other financing uses</b>		
Transfers out	 <u>2,284,300</u>	 <u>783,500</u>
 Total expenditures and financing uses	 <u><u>\$ 108,715,437</u></u>	 <u><u>\$ 107,385,008</u></u>