
Plymouth-Canton Community Schools

**Financial Report
with Supplementary Information
June 30, 2024**

Independent Auditor's Report	1-3
Management's Discussion and Analysis	4-9
Basic Financial Statements	
Government-wide Financial Statements:	
Statement of Net Position	10
Statement of Activities	11
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	12
Reconciliation of the Balance Sheet to the Statement of Net Position	13
Statement of Revenue, Expenditures, and Changes in Fund Balances	14
Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances to the Statement of Activities	15
Proprietary Fund:	
Statement of Net Position	16
Statement of Revenue, Expenses, and Changes in Net Position	17
Statement of Cash Flows	18
Notes to Financial Statements	19-39
Required Supplementary Information	40
Budgetary Comparison Schedule - General Fund	41
Budgetary Comparison Schedule - Major Special Revenue Fund	42
Schedule of the School District's Proportionate Share of the Net Pension Liability	43
Schedule of Pension Contributions	44
Schedule of the School District's Proportionate Share of the Net OPEB Liability (Asset)	45
Schedule of OPEB Contributions	46
Notes to Required Supplementary Information	47-48
Other Supplementary Information	49
Nonmajor Governmental Funds:	
Combining Balance Sheet	50-51
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances	52-53
Schedule of Bonded Indebtedness	54
Federal Awards Supplementary Information	Issued Under Separate Cover

Independent Auditor's Report

To the Board of Education
Plymouth-Canton Community Schools

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Plymouth-Canton Community Schools (the "School District") as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School District as of June 30, 2024 and the respective changes in its financial position and, where applicable, its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

To the Board of Education
Plymouth-Canton Community Schools

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's 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 information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

To the Board of Education
Plymouth-Canton Community Schools

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 17, 2024 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Plante & Moran, PLLC

October 17, 2024

This section of Plymouth-Canton Community Schools' (the "School District") annual financial report presents our discussion and analysis of the School District's financial performance during the year ended June 30, 2024. Please read it in conjunction with the School District's financial statements, which immediately follow this section.

Using This Annual Report

This annual report consists of a series of financial statements and notes to those financial statements. These statements are organized so the reader can understand Plymouth-Canton Community Schools financially as a whole. The government-wide financial statements provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. The fund financial statements provide the next level of detail. For governmental activities, these statements tell how services were financed in the short term and what remains for future spending. The fund financial statements look at the School District's operations in more detail than the government-wide financial statements by providing information about the School District's most significant funds, the General Fund, the Funded Projects Fund, the 2020 Capital Projects Fund, and the 2023 Capital Projects Fund, with all other funds presented in one column as nonmajor funds. The remaining statements consist of the Internal Service Fund statements. The Internal Service Fund statements present financial information about medical benefits provided to school district employees. This report is composed of the following elements:

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

Basic Financial Statements

Government-wide Financial Statements

Fund Financial Statements

Notes to Financial Statements

Required Supplementary Information

Budgetary Comparison Schedule for Major Fund

Budgetary Comparison Schedule - Major Special Revenue Fund

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

Schedules of Pension and OPEB Contributions

Other Supplementary Information

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

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

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

Plymouth-Canton Community Schools

Management's Discussion and Analysis (Continued)

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

Reporting the School District's Fund Financial Statements

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

Governmental Funds

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

Proprietary Fund

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

Plymouth-Canton Community Schools

Management's Discussion and Analysis (Continued)

The School District as a Whole

Recall that the statement of net position provides the perspective of the School District as a whole. The following table provides a summary of the School District's net position as of June 30, 2024 and 2023:

	Governmental Activities	
	2024	2023
	(in millions)	
Assets		
Current and other assets	\$ 235.8	\$ 242.5
Capital assets	271.6	252.3
Total assets	507.4	494.8
Deferred Outflows of Resources	140.7	176.8
Liabilities		
Current liabilities	49.3	39.3
Noncurrent liabilities	310.5	327.9
Net pension liability	372.9	430.2
Net OPEB liability	-	24.3
Total liabilities	732.7	821.7
Deferred Inflows of Resources	112.3	83.1
Net Position (Deficit)		
Net investment in capital assets	68.4	61.3
Restricted	18.8	11.6
Unrestricted	(284.1)	(306.1)
Total net position (deficit)	\$ (196.9)	\$ (233.2)

The above analysis focuses on net position. The change in net position of the School District's governmental activities is discussed below. The School District's net position was \$(196.9) million at June 30, 2024. Net investment in capital assets totaling \$68.4 million compares the original cost, less depreciation of the School District's capital assets, to long-term debt used to finance the acquisition of those assets. Most of the debt will be repaid from voter-approved property taxes collected as the debt service comes due. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the School District's ability to use that net position for day-to-day operations. The remaining amount of net position, \$(284.1) million, was unrestricted and represents the accumulated results of all past years' operations.

The \$(284.1) million in unrestricted net position of governmental activities represents the accumulated results of all past years' operations and the impact from adoption of Governmental Accounting Standards Board (GASB) Statement Nos. 68 and 75 (recording the School District's share of the net pension liabilities and OPEB assets from the state-managed retirement system). Unrestricted net position, when available, would enable the School District to meet working capital and cash flow requirements and to provide for future uncertainties. The operating results of the General Fund and the change in net pension/OPEB liabilities and assets will have significant impacts on the change in unrestricted net position from year to year.

Plymouth-Canton Community Schools

Management's Discussion and Analysis (Continued)

The results of this year's operations for the School District as a whole are reported in the condensed statement of activities below, which shows the changes in net position for the years ended June 30, 2024 and 2023:

	Governmental Activities	
	2024	2023
	(in millions)	
Revenue		
Program revenue:		
Charges for services	\$ 5.3	\$ 7.5
Operating grants	107.1	74.5
General revenue:		
Taxes	64.3	60.9
State aid not restricted to specific purposes	124.1	119.8
Other	17.0	11.0
Total revenue	317.8	273.7
Expenses		
Instruction	133.1	135.9
Support services	105.0	89.4
Athletics	2.5	2.3
Food services	8.6	6.5
Community services	5.1	5.3
Debt service	13.9	6.2
Depreciation expense (unallocated)	13.3	12.7
Total expenses	281.5	258.3
Change in Net Position	36.3	15.4
Net Position (Deficit) - Beginning of year	(233.2)	(248.6)
Net Position (Deficit) - End of year	\$ (196.9)	\$ (233.2)

As reported in the statement of activities, the cost of all of our governmental activities this year was \$281.5 million. Certain activities were partially funded from those who benefited from the programs (\$5.3 million) or by other governments and organizations that subsidized certain programs with grants and contributions (\$107.1 million). We paid for the remaining public benefit portion of our governmental activities with \$64.3 million in taxes, \$124.1 million in state foundation allowance, and \$17.0 million in other revenue (i.e., interest and general entitlements).

The School District experienced an increase in net position of \$36.3 million. Key reasons for the change in net position were increases in operating grants to offset increases in programs and services.

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

The School District's Funds

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

As the School District completed this year, the governmental funds reported a combined fund balance of \$173.9 million, which is a decrease of \$23.5 million from last year. The primary reasons for the decrease are as follows:

In the General Fund, our principal operating fund, fund balance increased by \$7.1 million to \$49.2 million. The change is mainly due to additional grant funding to offset program and service costs.

Plymouth-Canton Community Schools

Management's Discussion and Analysis (Continued)

The fund balances of our special revenue funds decreased by approximately \$1.0 million to \$4.6 million. The change is mainly due to a planned use of food service fund balance and early childhood programming costs.

The combined fund balance of our debt service funds increased by \$0.6 million. Millage rates are determined annually to ensure that the School District accumulates sufficient resources to pay annual bond issue-related debt service. Debt service fund balances are reserved since they can only be used to pay debt service obligations.

The combined fund balance of our capital projects funds decreased by \$30.2 million. This change was due to the use of bond proceeds to fund the construction activities of the 2020 Bond program.

Budgetary Highlights

Over the course of the year, the School District revises its budget as it attempts to deal with unexpected changes in revenue and expenditures. State law requires that the budget be amended to ensure that expenditures do not exceed appropriations. The final amendment to the budget was adopted in June 2024. A schedule showing the School District's original and final budget amounts compared with amounts actually paid and received is provided in the required supplementary information of these financial statements.

There were significant revisions made to the 2023-2024 original budget. Budgeted revenue was increased by \$13.7 million due to increases in the state aid per-pupil foundation allowance and state categorical funding.

Budgeted expenditures were increased by \$10.0 million to account for the School District's contribution to the Michigan Public Schools Employees' Retirement System with funds deposited by the State of Michigan and the actual salary and benefits of the staff and contracted services contracts.

Variances between the final budget and actual amounts are due to the reallocation of expenditures to grant-funded programs and less-than-anticipated transportation costs, as well as additional investments in the maintenance and upkeep of school buildings and sites.

Capital Assets and Debt Administration

Capital Assets

As of June 30, 2024 and 2023, the School District had \$271.6 million and \$252.3 million, respectively, invested in a broad range of capital assets, including land, buildings, vehicles, furniture, and equipment.

	Governmental Activities	
	2024	2023
Land	\$ 4,297,999	\$ 4,297,999
Construction in progress	33,055,889	33,951,812
Buildings and improvements	222,293,778	200,349,495
Furniture and equipment	8,897,397	9,276,223
Buses and other vehicles	3,011,814	4,450,121
	\$ 271,556,877	\$ 252,325,650
Total capital assets - Net of accumulated depreciation		

This year's additions of \$19.2 million included vehicles, school kitchen equipment, technology, building renovations, and new school construction. Several major capital projects are planned for the 2024-2025 fiscal year. We anticipate capital additions will be comparable to this year. We present more detailed information about our capital assets in the notes to the financial statements.

Plymouth-Canton Community Schools

Management's Discussion and Analysis (Continued)

Debt

At the end of this year, the School District had \$279.3 million in bonds outstanding versus \$301.3 million in the previous year, a change of 7.3 percent.

The School District's general obligation bond rating is currently Aa2. The State limits the amount of general obligation debt that schools can issue to 15 percent of the assessed value of all taxable property within the School District's boundaries. If the School District issues qualified debt (i.e., debt backed by the State of Michigan), such obligations are not subject to this debt limit. The School District's outstanding unqualified general obligation debt of \$279.3 million is significantly below the statutorily imposed limit.

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

Economic Factors and Next Year's Budgets and Rates

Our elected officials and administration consider many factors when setting the School District's 2024-2025 fiscal year budget. One of the most important factors affecting the budget is our student count. The state foundation revenue is determined by multiplying the blended student count by the foundation allowance per pupil. The 2024-2025 budget was adopted in June 2024 based on an estimate of students who will enroll in September 2024.

Approximately 76.3 percent of total General Fund revenue is from the foundation allowance. Under state law, the School District cannot access additional property tax revenue for general operations. As a result, district funding is heavily dependent on the State's ability to fund local school operations. Based on early enrollment data at the start of the 2024-2025 school year, we anticipate the fall student count will be in line with the estimates used in creating the initial 2024-2025 General Fund budget. Once the final student count and related per pupil funding are validated, state law requires the School District to amend the budget if actual district resources are not sufficient to fund original appropriations.

Since the School District's revenue is heavily dependent on state funding and the health of the State's School Aid Fund, the actual revenue received depends on the State's ability to collect sufficient revenue to fund its appropriation to the School District. The State periodically holds a Revenue Estimating Conference to estimate revenue. Based on the results of the most recent conference, the State estimates funds are sufficient to fund the appropriation.

Contacting the School District's Management

This financial report is intended to provide our taxpayers, parents, and investors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional information, we welcome you to contact us at 454 South Harvey Street, Plymouth, MI 48170.

Plymouth-Canton Community Schools

Statement of Activities

Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenue		Governmental
		Charges for Services	Operating Grants and Contributions	Activities
				Net (Expense) Revenue and Changes in Net Position
Primary government - Governmental activities:				
Instruction	\$ 133,101,811	\$ -	\$ 67,595,407	\$ (65,506,404)
Support services	105,019,606	-	31,221,340	(73,798,266)
Athletics	2,538,504	1,045,215	-	(1,493,289)
Food services	8,616,100	662,688	8,281,376	327,964
Community services	5,128,446	3,629,989	-	(1,498,457)
Interest	9,617,508	-	-	(9,617,508)
Other debt costs	4,258,119	-	-	(4,258,119)
Depreciation expense (unallocated)	13,275,862	-	-	(13,275,862)
Total primary government	\$ 281,555,956	\$ 5,337,892	\$ 107,098,123	(169,119,941)
General revenue:				
Taxes:				
Property taxes levied for general purposes				33,618,966
Property taxes levied for debt service				30,709,691
State aid not restricted to specific purposes				124,098,659
Federal grants and contributions not restricted to specific purposes				529,722
Interest and investment earnings				9,935,671
Penalties, interest, and other taxes				30,391
Gain on sale of capital assets				548,721
Other				5,963,081
Total general revenue				205,434,902
Change in Net Position				36,314,961
Net Position (Deficit) - Beginning of year				(233,176,088)
Net Position (Deficit) - End of year				\$ (196,861,127)

Plymouth-Canton Community Schools

Governmental Funds Balance Sheet

June 30, 2024

	General Fund	Funded Projects Fund	2020 Capital Projects Fund	2023 Capital Projects Fund	Nonmajor Funds	Total Governmental Funds
Assets						
Cash and investments (Notes 4 and 5)	\$ 39,504,415	\$ 1,464,474	\$ -	\$ -	\$ 7,506,451	\$ 48,475,340
Receivables:						
Accrued interest receivable	-	-	-	-	89,158	89,158
Other receivables	194,323	-	-	-	10,808	205,131
Due from other governments	34,607,887	8,050,589	-	-	1,156,352	43,814,828
Due from other funds (Note 9)	1,160,955	1,043,956	176,126	-	222,892	2,603,929
Inventory	153,990	-	-	-	84,502	238,492
Prepaid expenses	209,118	-	-	-	-	209,118
Restricted assets (Notes 4 and 7)	-	-	11,248,031	105,568,008	10,642,326	127,458,365
Total assets	\$ 75,830,688	\$ 10,559,019	\$ 11,424,157	\$ 105,568,008	\$ 19,712,489	\$ 223,094,361
Liabilities						
Accounts payable	\$ 2,601,607	\$ 118,736	\$ 8,083,301	\$ -	\$ 695,549	\$ 11,499,193
Due to other funds (Note 9)	117,754	503,434	-	-	1,982,741	2,603,929
Accrued liabilities and other	23,770,672	1,972,890	-	-	782,852	26,526,414
Unearned revenue (Note 6)	152,939	8,018,841	-	-	241,298	8,413,078
Total liabilities	26,642,972	10,613,901	8,083,301	-	3,702,440	49,042,614
Deferred Inflows of Resources -						
Unavailable revenue (Note 6)	-	31,501	-	-	151,819	183,320
Total liabilities and deferred inflows of resources	26,642,972	10,645,402	8,083,301	-	3,854,259	49,225,934
Fund Balances (Deficit)						
Nonspendable:						
Inventory	153,990	-	-	-	84,502	238,492
Prepays	209,118	-	-	-	-	209,118
Restricted:						
Debt service	-	-	-	-	9,925,908	9,925,908
Capital projects	-	-	3,340,856	105,568,008	608,119	109,516,983
Food service	-	-	-	-	1,893,776	1,893,776
Committed:						
Capital projects	-	-	-	-	677,628	677,628
Committed for community service	-	-	-	-	219,394	219,394
Committed for student activities	-	-	-	-	2,452,159	2,452,159
Assigned - Subsequent year budget shortfall	6,135,764	-	-	-	-	6,135,764
Unassigned	42,688,844	(86,383)	-	-	(3,256)	42,599,205
Total fund balances (deficit)	49,187,716	(86,383)	3,340,856	105,568,008	15,858,230	173,868,427
Total liabilities, deferred inflows of resources, and fund balances (deficit)	\$ 75,830,688	\$ 10,559,019	\$ 11,424,157	\$ 105,568,008	\$ 19,712,489	\$ 223,094,361

Plymouth-Canton Community Schools

Governmental Funds Reconciliation of the Balance Sheet to the Statement of Net Position

June 30, 2024

Fund Balances Reported in Governmental Funds	\$ 173,868,427
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and are not reported in the funds	271,556,877
Receivables that are not collected soon after year end are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds	183,320
Deferred inflows and outflows related to bond refundings are not reported in the funds	(1,116,358)
Bonds payable, installment purchase agreements, and bond premiums are not due and payable in the current period and are not reported in the funds	(302,068,584)
Accrued interest is not due and payable in the current period and is not reported in the funds	(2,831,165)
Some employee fringe benefits are payable (received) over a long period of years and do not represent a claim on current financial resources; therefore, they are not reported as fund liabilities (assets):	
Employee compensated absences and other employee-related obligations	(1,378,460)
Net pension liability and related deferred inflows and outflows	(294,789,177)
Net OPEB asset and related deferred inflows and outflows	(19,432,933)
Revenue in support of pension contributions made subsequent to the measurement date is reported as a deferred inflow of resources in the statement of net position and is not reported in the funds	(22,653,201)
Other long-term liabilities, consisting of arbitrage liability, do not present a claim on current financial resources and are not reported as fund liabilities	(4,250,809)
Internal service funds are included as part of governmental activities	<u>6,050,936</u>
Net Position (Deficit) of Governmental Activities	<u><u>\$ (196,861,127)</u></u>

Plymouth-Canton Community Schools

Governmental Funds

Statement of Revenue, Expenditures, and Changes in Fund Balances

Year Ended June 30, 2024

	General Fund	Funded Projects Fund	2020 Capital Projects Fund	2023 Capital Projects Fund	Nonmajor Funds	Total Governmental Funds
Revenue						
Local sources	\$ 39,679,047	\$ 122,557	\$ 2,208,201	\$ 5,389,466	\$ 38,196,421	\$ 85,595,692
State sources	166,157,528	10,221,255	-	-	9,017,775	185,396,558
Federal sources	445,858	14,835,881	-	-	3,526,489	18,808,228
Interdistrict sources	13,512,852	-	-	-	5,744,276	19,257,128
Total revenue	219,795,285	25,179,693	2,208,201	5,389,466	56,484,961	309,057,606
Expenditures						
Current:						
Instruction	122,163,416	14,296,048	-	-	5,643,701	142,103,165
Support services	85,610,078	8,538,164	-	39,737	6,770,745	100,958,724
Athletics	2,634,205	-	-	-	-	2,634,205
Food services	-	128,755	-	-	8,745,996	8,874,751
Community services	987,256	299,778	-	-	4,151,522	5,438,556
Debt service:						
Principal	-	-	-	-	22,020,000	22,020,000
Interest	408,240	-	-	-	9,631,987	10,040,227
Other debt costs	1,750	-	-	-	5,560	7,310
Capital outlay	1,038,528	1,437,952	35,826,055	-	2,730,398	41,032,933
Total expenditures	212,843,473	24,700,697	35,826,055	39,737	59,699,909	333,109,871
Excess of Revenue Over (Under)						
Expenditures	6,951,812	478,996	(33,617,854)	5,349,729	(3,214,948)	(24,052,265)
Other Financing Sources (Uses)						
Proceeds from sale of capital assets	-	-	-	-	548,721	548,721
Transfers in (Note 9)	667,263	-	-	-	568,439	1,235,702
Transfers out (Note 9)	(472,500)	(86,519)	-	-	(676,683)	(1,235,702)
Total other financing sources (uses)	194,763	(86,519)	-	-	440,477	548,721
Net Change in Fund Balances	7,146,575	392,477	(33,617,854)	5,349,729	(2,774,471)	(23,503,544)
Fund Balances (Deficit) - Beginning of year	42,041,141	(478,860)	36,958,710	100,218,279	18,632,701	197,371,971
Fund Balances (Deficit) - End of year	<u>\$ 49,187,716</u>	<u>\$ (86,383)</u>	<u>\$ 3,340,856</u>	<u>\$ 105,568,008</u>	<u>\$ 15,858,230</u>	<u>\$ 173,868,427</u>

Plymouth-Canton Community Schools

Governmental Funds

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

Year Ended June 30, 2024

Net Change in Fund Balances Reported in Governmental Funds	\$ (23,503,544)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; however, in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:	
Capitalized capital outlay	32,507,089
Depreciation expense	(13,275,862)
Revenue in the statement of activities that does not provide current financial resources is not reported as revenue in the funds until it is available	(266,738)
Revenue in support of pension contributions made subsequent to the measurement date	8,531,328
Repayment of bond principal is an expenditure in the governmental funds, but not in the statement of activities (where it reduces long-term debt); amortization of premium/discounts and inflows/outflows related to bond refundings are not expenses in the governmental funds	23,784,331
Interest expense is recognized in the government-wide statements as it accrues	(1,341,612)
Some employee costs (pension, OPEB, compensated absences, and self-insurance) do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds	13,887,285
Arbitrage rebate costs that do not use current financial resources are not reported as expenditures in the governmental funds	(4,250,809)
Internal service funds are included as part of governmental activities:	<u>243,493</u>
Change in Net Position of Governmental Activities	<u><u>\$ 36,314,961</u></u>

Plymouth-Canton Community Schools

Proprietary Fund Statement of Net Position

June 30, 2024

Internal Service
Fund

Assets - Current assets - Cash and investments (Note 4)	\$ 8,894,746
Liabilities	
Current liabilities:	
Accounts payable	7,646
Provision for claims (Notes 10 and 11)	<u>2,836,164</u>
Total liabilities	<u>2,843,810</u>
Net Position - Unrestricted	<u><u>\$ 6,050,936</u></u>

Plymouth-Canton Community Schools

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

Year Ended June 30, 2024

	<u>Internal Service Fund</u>
Operating Revenue - Charges for service	\$ 24,318,796
Operating Expenses - Medical benefits expense	<u>24,075,303</u>
Change in Net Position - Operating income	243,493
Net Position - Beginning of year	<u>5,807,443</u>
Net Position - End of year	<u><u>\$ 6,050,936</u></u>

Plymouth-Canton Community Schools

Proprietary Fund Statement of Cash Flows

Year Ended June 30, 2024

	<u>Internal Service Fund</u>
Cash Flows from Operating Activities	
Medical benefit expenses paid	\$ (20,464,520)
Collections from other funds	<u>24,318,796</u>
Net Increase in Cash and Cash Equivalents - Net cash and cash equivalents provided by operating activities	3,854,276
Cash and Cash Equivalents - Beginning of year	<u>5,040,470</u>
Cash and Cash Equivalents - End of year	<u>\$ 8,894,746</u>
Reconciliation of Operating Income to Net Cash from Operating Activities	
Operating income	\$ 243,493
Adjustments to reconcile operating income to net cash from operating activities - Changes in assets and liabilities:	
Accounts payable	7,646
Due to and from other funds	1,835,961
Medical benefits liabilities	<u>1,767,176</u>
Net cash and cash equivalents provided by operating activities	<u>\$ 3,854,276</u>

Note 1 - Nature of Business

Plymouth-Canton Community Schools (the "School District") is a school district in the state of Michigan that provides educational services to students.

Note 2 - Significant Accounting Policies

Accounting and Reporting Principles

Plymouth-Canton Community Schools follow accounting principles generally accepted in the United States of America (GAAP), as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board.

Reporting Entity

The School District is governed by an elected seven-member Board of Education. In accordance with government accounting principles, no component units are required to be reported within these financial statements.

Report Presentation

Governmental accounting principles require that financial reports include two different perspectives, the government-wide perspective and the fund-based perspective. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. The government-wide financial statements are presented on the economic resources measurement focus and the full accrual basis of accounting. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The statements also present a schedule reconciling these amounts to the modified accrual-based presentation found in the fund-based statements.

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

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

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

Fund Accounting

Governmental Funds

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

- The General Fund is the primary operating fund because it accounts for all financial resources used to provide government services other than those specifically assigned to another fund.

Note 2 - Significant Accounting Policies (Continued)

- The 2020 Capital Projects Fund is used to record bond proceeds or other revenue and the disbursement of funds specifically designated for remodeling, furnishing, and equipping school buildings and sites and purchasing school buses, student computing devices, classroom technology, and computer labs. The fund operates until the purposes for which it was created are accomplished.
- The 2023 Capital Projects Fund is used to record bond proceeds or other revenue and the disbursement of funds specifically designated for remodeling, furnishing, and equipping school buildings and sites and purchasing school buses, student computing devices, classroom technology, and computer labs. The fund operates until the purposes for which it was created are accomplished.
- The Funded Projects Fund is used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes.

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

- Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes.
- Capital projects funds are used to record bond proceeds or other revenue and the disbursement of invoices specifically designated for acquiring new school sites, buildings, and equipment; technology upgrades; and remodeling and repairs. The funds operate until the purpose for which they were created is accomplished.
- Debt service funds are used to record tax, interest, and other revenue for payment of interest, principal, and other expenditures on long-term debt.

Proprietary Funds

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

The School District's Internal Service Fund is used to finance services provided to other funds on a cost-reimbursement basis. The Internal Service Fund maintained by the School District is for medical benefits liabilities. It is funded through charges to the other funds in amounts equal to the normal estimated medical benefits expense expected to be incurred subsequent to year end and contributions from employees for their share of medical benefits.

Interfund Activity

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

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

Note 2 - Significant Accounting Policies (Continued)

Basis of Accounting

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

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

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

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

Specific Balances and Transactions

Cash and Investments

Cash and investments include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments with an original maturity of greater than one year are stated at fair value, net acquisition value, or amortized cost depending on the nature of the investment.

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 and are recorded as prepaid costs in both government-wide and fund financial statements.

Restricted Assets

The unspent property taxes levied and mandatory deposits held in the debt service funds are required to be set aside for future bond principal and interest payments. Unspent bond proceeds and related interest of the bonded capital projects funds are required to be set aside for construction or other allowable bond purchases. These amounts have been classified as restricted assets.

Capital Assets

Capital assets are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the School District as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

Note 2 - Significant Accounting Policies (Continued)

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

	Depreciable Life - Years
Buildings and improvements	10 to 50
Furniture and equipment	5 to 10
Buses and other vehicles	5 to 10

Long-term Obligations

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

Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The governmental funds report unavailable revenue from federal sources for reimbursements that are not collected during the period of availability. The School District has deferred inflows of resources related to deferred benefit on debt refunding, revenue in support of pension payments made subsequent to the measurement date, and deferred pension and OPEB plan cost reductions.

Net Position

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

Net Position Flow Assumption

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

Note 2 - Significant Accounting Policies (Continued)

Fund Balance Flow Assumptions

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

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes.

The nonspendable fund balance component represents amounts that are not in spendable form or are legally or contractually required to be maintained intact. Restricted fund balance represents amounts that are legally restricted by outside parties, constitutional provisions, or enabling legislation for use for a specific purpose.

The School District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School District's highest level of decision-making authority. The Board of Education is the highest level of decision-making authority for the School District that can commit fund balance by passing a resolution. Once passed, the limitation imposed by the resolution remains in place until a similar action is taken (the passing of another resolution) to remove or revise the limitation.

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

Amounts that do not fall into any other category above are considered to be unassigned fund balance. This represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes.

The fund balance policy prescribes the minimum fund balance as 10 percent of expenditures in the General Fund. This is deemed to be the prudent amount to maintain the School District's ability to meet obligations as they come due throughout the year.

Property Tax Revenue

Property taxes are assessed as of December 31, and the related property taxes are levied and become a lien on July 1 for 100 percent of the taxes that are due on September 14. The fund collection date is February 28, after which they are added to county delinquent tax rolls.

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

Note 2 - Significant Accounting Policies (Continued)

Grants and Contributions

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

Pension and Other Postemployment Benefit (OPEB) Plans

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

Compensated Absences (Vacation and Sick Leave)

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

Proprietary Funds Operating Classification

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the Internal Service Fund includes charges to other funds for services. Operating expenses of the Internal Service Fund include the cost of medical benefit claims and administrative expenses. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

Use of Estimates

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

Upcoming Accounting Pronouncements

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

Note 2 - Significant Accounting Policies (Continued)

In December 2023, the Governmental Accounting Standards Board issued Statement No. 102, *Certain Risk Disclosures*, which requires governments to assess whether a concentration or constraint makes the government vulnerable to the risk of a substantial impact. It also requires governments to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. If certain criteria are met for a concentration or constraint, disclosures are required in the notes to the financial statements. The provisions of this statement are effective for the School District's financial statements for the year ending June 30, 2025.

In April 2024, the Governmental Accounting Standards Board issued Statement No. 103, *Financial Reporting Model Improvements*, which establishes new accounting and financial reporting requirements or modifies existing requirements related to the following: management's discussion and analysis; unusual or infrequent items; presentation of the proprietary fund statement of revenue, expenses, and changes in fund net position; information about major component units in basic financial statements; budgetary comparison information; and financial trends information in the statistical section. The provisions of this statement are effective for the School District's financial statements for the year ending June 30, 2026.

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including October 17, 2024, which is the date the financial statements were available to be issued.

Note 3 - Stewardship, Compliance, and Accountability

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles and state law for the General Fund and major special revenue funds except that capital outlay expenditures are reported in other expenditure categories and proceeds from the sale of capital assets are reported in local revenue. All annual appropriations lapse at fiscal year end.

The budget document presents information by fund and function. The legal level of budgetary control adopted by the governing body (i.e., the level at which expenditures may not legally exceed appropriations) is the function level. State law requires the School District to have its budget in place by July 1. Expenditures in excess of amounts budgeted are a violation of Michigan law. State law permits districts to amend their budgets during the year. During the year, the budget was amended in a legally permissible manner.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders and contracts) are not tracked during the year. Budget appropriations are considered to be spent once the goods are delivered or the services rendered.

Excess of Expenditures Over Appropriations in Budgeted Funds

During the year, the School District incurred expenditures in the Funded Projects Fund, the major special revenue fund, that were in excess of the amounts budgeted. The final budgeted expenditures were \$13,172,885, while the actual expenditures incurred were \$24,700,697.

Deficit in Fund Balance

The School District had a deficit in fund balance in the Funded Projects Fund of \$86,383 and Act 18 Fund of \$3,256. These deficits will be eliminated through transfers from the General Fund.

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

Capital Projects Fund Compliance

The 2019 Capital Projects, 2020 Capital Projects, and 2023 Capital Projects funds include capital project activities funded with bonds issued after May 1, 1994. For these capital projects, the School District has complied with the applicable provisions of §1351a of the State of Michigan Revised School Code. These capital projects funds are not considered substantially complete, and a subsequent year audit is expected.

Beginning with the year of bond issuance, the School District has reported the annual construction activity in the 2019 Capital Projects Fund. The project for which the 2019 Capital Project bonds were issued was considered complete as of June 30, 2024. The cumulative expenditures recognized for the construction period were \$5,961,432 as of June 30, 2024.

Note 4 - Deposits and Investments

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

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

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

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

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits may not be returned to it. The School District does not have a deposit policy for custodial credit risk. At year end, the School District's deposit balance of \$28,123,822 included bank deposits of \$27,623,822 (certificates of deposit, money market funds, and checking and savings accounts) that were uninsured and uncollateralized. The School District believes that, due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits.

Custodial Credit Risk of Investments

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The School District's investment policy states that custodial credit risk will be minimized by limiting investments to the types of securities allowed by state law and by prequalifying the financial institutions, brokers/dealers, intermediaries, and advisors with which the School District will do business. At June 30, 2024, the School District does not have investments with custodial credit risk.

Note 4 - Deposits and Investments (Continued)

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The School District's investment policy minimizes interest rate risk by requiring the School District to structure 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; investing operating funds primarily in shorter-term securities, liquid asset funds, money market mutual funds, or similar investment pools; and limiting the average maturity in accordance with the School District's cash requirements.

Credit Risk

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The School District has no investment policy that would further limit its investment choices.

Investment	Fair Value	Average Maturity (Years)	Rating (S&P's Unless Otherwise Noted)
Primary Government			
U.S. Treasury securities	\$ 39,478,259	0.04 - 2.09	AA+
Money market mutual funds*	1,153,111	N/A	AAAm
Commercial money market*	727,099	N/A	AAAm
Michigan Liquid Asset Fund - MAX Class*	15,197,160	N/A	AAAm
Michigan Liquid Asset Fund - Cash Management Class*	94,438,733	N/A	AAAm
Freddie Mac Notes	1,811,897	1.06	AA+
Total	<u>\$ 152,806,259</u>		

*Securities are valued at amortized cost rather than fair value.

Concentration of Credit Risk

The School District places no limit on the amount it may invest in any one issuer. The School District's policy minimizes concentration of credit risk by requiring diversification of the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized. More than 5 percent of the School District's investments are invested in the following at June 30, 2024:

Investments	Percentage of Investments
Michigan Liquid Asset Fund - MAX Class*	9.95 %
Michigan Liquid Asset Fund - Cash Management Class*	61.80

Foreign Currency Risk

Foreign currency risk is the risk that an investment denominated in the currency of a foreign country could reduce its U.S. dollar value as a result of changes in foreign currency exchange rates. State law and the School District's investment policy prohibit investments in foreign currency.

Note 5 - Fair Value Measurements

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

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

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

- U.S. Treasury securities of \$39,478,259 are valued using other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals (Level 2 inputs).
- Mortgage-backed securities (Freddie Mac Note) of \$1,811,897 are valued using other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals (Level 2 inputs).

Note 6 - Unavailable/Unearned Revenue

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

At June 30, 2024, the various components of unearned and unavailable revenue were as follows:

	Governmental Funds	
	Deferred Inflow - Unavailable	Liability - Unearned
Grant receivables unavailable for use in the current period	\$ 183,320	\$ -
Grant and categorical aid payment received prior to meeting all eligibility requirements	-	8,413,078
Total	<u>\$ 183,320</u>	<u>\$ 8,413,078</u>

Note 7 - Restricted Assets

At June 30, 2024, restricted assets are composed of the following:

Description	Governmental Activities
Unspent bond proceeds and related interest	\$ 106,572,520
Unspent property taxes levied for debt service, including amounts due from other funds	14,494,890
Funds set aside for future principal payments	6,390,955
Total	<u>\$ 127,458,365</u>

June 30, 2024

Note 8 - Capital Assets

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

	Balance July 1, 2023	Reclassifications	Additions	Disposals and Adjustments	Balance June 30, 2024
Capital assets not being depreciated:					
Land	\$ 4,297,999	\$ -	\$ -	\$ -	\$ 4,297,999
Construction in progress	33,951,812	(32,100,524)	31,204,601	-	33,055,889
Subtotal	38,249,811	(32,100,524)	31,204,601	-	37,353,888
Capital assets being depreciated:					
Buildings and improvements	362,742,895	32,100,524	403,126	-	395,246,545
Furniture and equipment	28,502,419	-	804,737	-	29,307,156
Buses and other vehicles	22,983,982	-	94,625	-	23,078,607
Subtotal	414,229,296	32,100,524	1,302,488	-	447,632,308
Accumulated depreciation:					
Buildings and improvements	162,393,400	-	10,559,367	-	172,952,767
Furniture and equipment	19,226,196	-	1,183,563	-	20,409,759
Buses and other vehicles	18,533,861	-	1,532,932	-	20,066,793
Subtotal	200,153,457	-	13,275,862	-	213,429,319
Net capital assets being depreciated	214,075,839	32,100,524	(11,973,374)	-	234,202,989
Net governmental activities capital assets	\$ 252,325,650	\$ -	\$ 19,231,227	\$ -	\$ 271,556,877

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

Capital Commitments

The School District has committed approximately \$11,424,157 and \$11,923,444 to active capital improvement projects as of June 30, 2024 related to the 2020 Capital Projects Fund and 2023 Capital Projects Fund, respectively.

Note 9 - Interfund Receivables, Payables, and Transfers

The composition of interfund balances is as follows:

Fund Due To	Fund Due From			Total
	General Fund	Funded Projects Fund	Nonmajor Governmental Funds	
General Fund	\$ -	\$ 503,434	\$ 657,521	\$ 1,160,955
2020 Capital Projects Fund	-	-	176,126	176,126
Funded Projects Fund	-	-	1,043,956	1,043,956
Nonmajor Governmental Funds	117,754	-	105,138	222,892
Total	\$ 117,754	\$ 503,434	\$ 1,982,741	\$ 2,603,929

These balances result from the time lag between the dates that goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

June 30, 2024

Note 9 - Interfund Receivables, Payables, and Transfers (Continued)

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

Paying Fund (Transfer Out)	Receiving Fund (Transfer In)	Amount
General Fund	Nonmajor governmental funds	\$ 472,500
Funded Projects Fund	General Fund	49,759
	Nonmajor governmental funds	36,760
Nonmajor governmental funds	General Fund	617,504
	Nonmajor governmental funds	59,179
	Total nonmajor governmental funds	676,683
	Total	<u>\$ 1,235,702</u>

Transfers from the General Fund provided funding for debt service payments. Funds from the Funded Projects Fund were transferred to the Food Services Fund to cover costs related to the breakfast and lunch programs.

Note 10 - Long-term Debt

Long-term debt activity for the year ended June 30, 2024 can be summarized as follows:

Governmental Activities

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds and notes payable:					
Other debt - General obligation bonds payable	\$ 301,330,000	\$ -	\$ (22,020,000)	\$ 279,310,000	\$ 23,050,000
Unamortized bond premiums	24,339,828	-	(1,581,244)	22,758,584	1,581,224
Total bonds and notes payable	325,669,828	-	(23,601,244)	302,068,584	24,631,224
Employee-related obligations	1,160,853	217,607	-	1,378,460	137,866
Employee medical benefits - Recorded in the Internal Service Fund (Note 11)	1,068,988	1,767,176	-	2,836,164	2,836,164
Arbitrage liability	-	4,250,809	-	4,250,809	-
Total governmental activities long-term debt	\$ 327,899,669	\$ 6,235,592	\$ (23,601,244)	\$ 310,534,017	\$ 27,605,254

The School District had deferred inflows of \$1,116,358 related to deferred benefit on bond refundings at June 30, 2024.

Note 10 - Long-term Debt (Continued)

General Obligation Bonds and Contracts

The School District issues general obligation bonds to provide for the acquisition and construction of major capital facilities and the acquisition of certain equipment. General obligations have been issued for both governmental and business-type activities. General obligation bonds are direct obligations and pledge the full faith and credit of the School District. The School District's qualified bonds are fully guaranteed by the State of Michigan. The primary source of any required repayment is from the School District's property tax levy; however, the State of Michigan may withhold the School District's state aid funding in order to recover amounts it has paid on behalf of the School District. General obligations outstanding at June 30, 2024 are as follows:

	Remaining Annual Installments	Interest Rates (Percent)	Maturing on May 1	Outstanding
Governmental Activities				
\$7,560,000 qualified general obligation serial and term bonds (2010)	\$7,560,000	5.400	2027	\$ 7,560,000
\$38,720,000 nonqualified general obligation serial bonds (2015)	\$1,200,000 - \$2,725,000	3.000 - 4.000	2035	25,275,000
\$26,655,000 qualified general obligation serial bonds (2017)	\$1,700,000 - \$2,165,000	5.000	2031	13,700,000
\$6,035,000 qualified general obligation serial bonds (2019)	\$300,000	4.000	2025	300,000
\$100,000,000 nonqualified general obligation serial bonds (2020)	\$3,275,000 - \$6,325,000	3.00	2040	82,050,000
\$85,850,000 qualified general obligation serial bonds (2021)	\$5,540,000 - \$9,345,000	0.11 - 2.09	2033	67,550,000
\$87,500,000 nonqualified general obligation serial bonds (2023)	\$2,750,000 - \$6,525,000	5.00	2043	<u>82,875,000</u>
Total governmental activities				<u>\$ 279,310,000</u>

*Interest is partially subsidized, up to 4.80 percent

Other Long-term Liabilities

Other long-term obligations outstanding at June 30, 2024 are as follows:

Severance benefits at retirement	\$ 845,700
Workers' compensation claims	72,125
Compensated absences obligation	<u>460,635</u>
Total governmental activities	<u>\$ 1,378,460</u>

The compensated absences obligation as of June 30, 2024 is attributable to the governmental activities and will be liquidated primarily by the General Fund.

Severance benefits at retirement included in long-term obligations as of June 30, 2024 consist of two components and will be liquidated primarily by the General Fund. Employees who qualify for a retirement allowance receive a retirement payment of \$100 per year of service to the School District. This sum is paid upon retirement, provided the employee has been employed by the School District for at least 10 years and has made application for Michigan Public School Employees' Retirement System benefits for which they must be eligible. The second component is voluntary retirement compensation. If an employee qualifies, an amount of \$7,500 is paid to the employee.

Arbitrage liability is attributable to the 2023 Building and Site Fund and 2020 Building and Site Fund and will be liquidated by those funds.

Note 10 - Long-term Debt (Continued)

Debt Service Requirements to Maturity

Annual debt service requirements to maturity for the above bonds and note obligations are as follows:

Years Ending June 30	Governmental Activities				Total - Net
	Other Debt			Maximum Interest Subsidy	
	Principal	Interest			
2025	\$ 23,050,000	\$ 5,357,399	\$ (353,602)	\$ 28,053,797	
2026	24,610,000	5,002,139	(353,602)	29,258,537	
2027	26,970,000	4,615,861	(353,602)	31,232,259	
2028	19,925,000	3,841,251	-	23,766,251	
2029	20,450,000	3,445,145	-	23,895,145	
2030-2034	80,905,000	11,107,027	-	92,012,027	
2035-2039	54,775,000	5,130,750	-	59,905,750	
2040-2044	28,625,000	3,043,500	-	31,668,500	
Total	\$ 279,310,000	\$ 41,543,072	\$ (1,060,806)	\$ 319,792,266	

Note 11 - Risk Management

The School District is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The School District is partially insured for employee medical benefits and for workers' compensation claims. The School District participates in the SET-SEG shared-risk pool program for claims relating to property loss, torts, and errors and omissions. The School District does not purchase any commercial insurance.

The SET-SEG shared-risk pool program in which the School District participates operates as a common risk-sharing management program for school districts in Michigan; member premiums are used to purchase commercial excess insurance coverage and to pay member claims in excess of deductible amounts.

The School District estimates the liability for employee medical benefit and workers' compensation claims that have been incurred through the end of the fiscal year, including claims that have been reported and those that have not yet been reported. Changes in the estimated liability for the past two fiscal years were as follows:

	Employee Medical Benefits		Workers' Compensation	
	2024	2023	2024	2023
Estimated liability - Beginning of year	\$ 1,068,988	\$ 2,965,979	\$ 70,033	\$ 87,802
Estimated claims incurred, including changes in estimates	(20,533,304)	(25,881,899)	(283,435)	(194,501)
Claim payments	22,300,480	23,984,908	285,527	176,732
Estimated liability - End of year	\$ 2,836,164	\$ 1,068,988	\$ 72,125	\$ 70,033

Note 12 - Michigan Public School Employees' Retirement System

Plan Description

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

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

Benefits Provided

Benefit provisions of the defined benefit (DB) pension plan and the postemployment health care plan are established by state statute, which may be amended. Public Act 300 of 1980, as amended, establishes eligibility and benefit provisions for the defined benefit pension plan and the postemployment health care plan.

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

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

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

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

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

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

Note 12 - Michigan Public School Employees' Retirement System (Continued)

Contributions

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

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

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

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

The ranges of rates are as follows:

	Pension	OPEB
October 1, 2022 - September 30, 2023	13.75% - 20.16%	7.21% - 8.07%
October 1, 2023 - September 30, 2024	13.90% - 23.03%	7.06% - 8.31%

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

The School District's required and actual pension contributions to the plan for the year ended June 30, 2024 were \$50,171,174, which includes the School District's contributions required for those members with a defined contribution benefit. For the year ended June 30, 2024, the School District's required and actual pension contributions include an allocation of \$22,653,201 in revenue received from the State of Michigan and remitted to the System to fund the MPSERS unfunded actuarial accrued liability (UAAL) stabilization rate.

The School District's required and actual OPEB contributions to the plan for the year ended June 30, 2024 were \$10,534,266, which includes the School District's contributions required for those members with a defined contribution benefit.

Note 12 - Michigan Public School Employees' Retirement System (Continued)

Net Pension Liability

At June 30, 2024, the School District reported a liability of \$372,901,419 for its proportionate share of the net pension liability. The net pension liability was measured as of September 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of September 30, 2022, which used update procedures to roll forward the estimated liability to September 30, 2023. The School District's proportion of the net pension liability was based on a projection of its long-term share of contributions to the pension plan relative to the projected contributions of all participating reporting units, actuarially determined. At September 30, 2023 and 2022, the School District's proportion was 1.15 and 1.14 percent, respectively, representing a change of 0.73 percent.

Net OPEB Asset

At June 30, 2024, the School District reported an asset of \$(6,499,012) for its proportionate share of the net OPEB asset. The net OPEB asset for fiscal year 2024 was measured as of September 30, 2023, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of September 30, 2022, which used update procedures to roll forward the estimated asset to September 30, 2023. The School District's proportion of the net OPEB asset was based on a projection of its long-term share of contributions to the OPEB plan relative to the projected contributions of all participating reporting units, actuarially determined. At September 30, 2023 and 2022, the School District's proportion was 1.149 and 1.148 percent, respectively, representing a change of 0.04 percent.

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

For 2024, the School District recognized pension expense of \$53,075,425, inclusive of payments to fund the MPSERS UAAL stabilization rate. 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
Difference between expected and actual experience	\$ 11,771,360	\$ (571,226)
Changes in assumptions	50,529,839	(29,134,357)
Net difference between projected and actual earnings on pension plan investments	-	(7,630,770)
Changes in proportion and differences between the School District's contributions and proportionate share of contributions	10,439,338	(264,095)
The School District's contributions to the plan subsequent to the measurement date	42,972,153	-
Total	\$ 115,712,690	\$ (37,600,448)

The \$22,653,201 reported as deferred inflows of resources resulting from the pension portion of state aid payments received pursuant to the UAAL payment will be recognized as state appropriations revenue for the year ending June 30, 2025. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ending	Amount
2025	\$ 13,359,852
2026	9,253,698
2027	17,700,360
2028	(5,173,821)
Total	\$ 35,140,089

June 30, 2024

Note 12 - Michigan Public School Employees' Retirement System (Continued)

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

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

For the year ended June 30, 2024, the School District recognized OPEB recovery of \$9,813,530.

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
Difference between expected and actual experience	\$ -	\$ (49,109,874)
Changes in assumptions	14,467,935	(1,742,213)
Net difference between projected and actual earnings on OPEB plan investments	19,815	-
Changes in proportionate share or difference between amount contributed and proportionate share of contributions	3,101,693	(55,827)
Employer contributions to the plan subsequent to the measurement date	7,386,526	-
Total	\$ 24,975,969	\$ (50,907,914)

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

Years Ending	Amount
2025	\$ (10,742,549)
2026	(10,095,221)
2027	(3,769,914)
2028	(3,894,585)
2029	(3,171,450)
Thereafter	(1,644,752)
Total	\$ (33,318,471)

Note 12 - Michigan Public School Employees' Retirement System (Continued)

Actuarial Assumptions

The total pension liability and total OPEB liability as of September 30, 2023 are based on the results of an actuarial valuation as of September 30, 2022 and rolled forward. The total pension liability and OPEB liability were determined using the following actuarial assumptions:

Actuarial cost method		Entry age normal
Investment rate of return - Pension	6.00%	Net of investment expenses based on the groups
Investment rate of return - OPEB	6.00%	Net of investment expenses based on the groups
Salary increases	2.75% - 11.55%	Including wage inflation of 2.75 percent
Health care cost trend rate - OPEB	6.25% - 7.50%	Year 1 graded to 3.5 percent in year 15
Mortality basis		PubT-2010 Male and Female Employee Mortality Tables, scaled 100 percent (retirees: 116 percent for males and 116 percent for females) and adjusted for mortality improvements using projection scale MP-2021 from 2010
Cost of living pension adjustments	3.00%	Annual noncompounded for MIP members

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

Significant assumption changes since the prior measurement date, September 30, 2022, for the OPEB plan include a decrease in the health care cost trend rate of 0.25 percentage points for members under 65 and an increase of 1.0 percentage point for members over 65. There were no significant benefit terms changes for the pension or OPEB plans since the prior measurement date of September 30, 2022.

Discount Rate

The discount rate used to measure the total pension and OPEB liability was 6.00 percent as of September 30, 2023 depending on the plan option. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that district contributions will be made at statutorily required rates.

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

June 30, 2024

Note 12 - Michigan Public School Employees' Retirement System (Continued)

The long-term expected rate of return on pension plan and OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity pools	25.00 %	5.80 %
Private equity pools	16.00	9.60
International equity pools	15.00	6.80
Fixed-income pools	13.00	1.30
Real estate and infrastructure pools	10.00	6.40
Absolute return pools	9.00	4.80
Real return/opportunistic pools	10.00	7.30
Short-term investment pools	2.00	0.30
Total	100.00 %	

Long-term rates of return are net of administrative expense and inflation of 2.7 percent.

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

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

	1 Percentage Point Decrease (5.00%)	Current Discount Rate (6.00%)	1 Percentage Point Increase (7.00%)
Net pension liability of the School District	\$ 503,788,724	\$ 372,901,419	\$ 263,933,004

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

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

	1 Percentage Point Decrease (5.00%)	Current Discount Rate (6.00%)	1 Percentage Point Increase (7.00%)
Net OPEB liability (asset) of the School District	\$ 6,737,526	\$ (6,499,012)	\$ (17,874,516)

Note 12 - Michigan Public School Employees' Retirement System (Continued)

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

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

	1 Percentage Point Decrease	Current Rate	1 Percentage Point Increase
Net OPEB (asset) liability of the School District	\$ (17,902,879)	\$ (6,499,012)	\$ 5,843,710

Pension Plan and OPEB Plan Fiduciary Net Position

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

Payable to the Pension Plan and OPEB Plan

At June 30, 2024, the School District reported a payable of \$9,140,997 and \$1,077,307 for the outstanding amount of contributions to the pension plan and OPEB plan, respectively, required for the year ended June 30, 2024.

Note 13 - Tax Abatements

The School District receives reduced property tax revenue as a result of industrial facilities tax exemptions (PA 198 of 1974) and brownfield redevelopment agreements granted by cities, villages, and townships within the boundaries of the School District. 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 revenue was reduced by approximately \$822,000 under these programs.

The School District is reimbursed for lost revenue caused by tax abatements on the operating millage of nonhomestead properties from the State of Michigan under the School Aid formula. The School District received approximately \$666,000 in reimbursements from the State of Michigan. The School District is not reimbursed for lost revenue from debt service millages. There are no abatements made by the School District.

Note 14 - Contingent Liabilities

The School District is subject to various legal proceedings and claims that arise in the ordinary course of its business. The School District believes that the amount, if any, of ultimate liability with respect to legal actions will be insignificant or will be covered by insurance.

Required Supplementary Information

Plymouth-Canton Community Schools

Required Supplementary Information Budgetary Comparison Schedule General Fund

Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
Revenue				
Local sources	\$ 38,257,214	\$ 37,431,488	\$ 39,679,047	\$ 2,247,559
State sources	153,720,940	165,428,357	166,157,528	729,171
Federal sources	391,602	423,672	445,858	22,186
Intermediate sources	11,286,798	14,114,549	13,512,852	(601,697)
Total revenue	203,656,554	217,398,066	219,795,285	2,397,219
Expenditures				
Current:				
Instruction:				
Basic programs	99,515,742	104,517,416	103,883,516	(633,900)
Added needs	16,631,802	17,505,106	18,573,627	1,068,521
Support services:				
Pupil	18,152,142	18,125,666	16,841,804	(1,283,862)
Instructional staff	16,210,086	17,129,580	16,142,751	(986,829)
General administration	1,109,553	1,731,626	1,636,435	(95,191)
School administration	13,681,013	13,858,007	13,480,206	(377,801)
Business	2,074,364	2,120,096	2,005,697	(114,399)
Operations and maintenance	19,121,748	19,789,712	20,221,130	431,418
Pupil transportation services	10,357,772	11,282,640	10,651,373	(631,267)
Central	4,862,649	5,261,042	5,107,123	(153,919)
Facility improvements and other	287,055	198,130	151,574	(46,556)
Athletics	2,624,637	2,961,134	2,750,991	(210,143)
Community services	907,525	1,098,046	987,256	(110,790)
Debt service:				
Interest	881,740	881,740	408,240	(473,500)
Other debt costs	-	-	1,750	1,750
Total expenditures	206,417,828	216,459,941	212,843,473	(3,616,468)
Excess of Revenue (Under) Over Expenditures	(2,761,274)	938,125	6,951,812	6,013,687
Other Financing Sources (Uses)				
Transfers in	25,000	85,000	667,263	582,263
Transfers out	-	-	(472,500)	(472,500)
Total other financing sources	25,000	85,000	194,763	109,763
Net Change in Fund Balance	(2,736,274)	1,023,125	7,146,575	6,123,450
Fund Balance - Beginning of year	42,041,141	42,041,141	42,041,141	-
Fund Balance - End of year	<u>\$ 39,304,867</u>	<u>\$ 43,064,266</u>	<u>\$ 49,187,716</u>	<u>\$ 6,123,450</u>

Plymouth-Canton Community Schools

Required Supplementary Information Budgetary Comparison Schedule - Major Special Revenue Fund Funded Projects Fund

Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Final Budget</u>
Revenue	\$ 24,600,548	\$ 13,651,745	\$ 25,179,693	\$ 11,527,948
Expenditures	<u>24,600,548</u>	<u>13,172,885</u>	<u>24,700,697</u>	<u>11,527,812</u>
Excess of Revenue Over Expenditures	-	478,860	478,996	136
Other Financing Uses - Transfers out	-	-	(86,519)	(86,519)
Net Change in Fund Balance	-	478,860	392,477	(86,383)
Fund Balance (Deficit) - Beginning of year	<u>(478,860)</u>	<u>(478,860)</u>	<u>(478,860)</u>	-
Fund Balance (Deficit) - End of year	<u>\$ (478,860)</u>	<u>\$ -</u>	<u>\$ (86,383)</u>	<u>\$ (86,383)</u>

Plymouth-Canton Community Schools

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

	Last Ten Plan Years									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportionate net pension liability	1.15214 %	1.14375 %	1.11130 %	1.08590 %	1.06158 %	1.04147 %	1.02015 %	1.01284 %	1.03480 %	1.07377 %
School District's proportionate share of the net pension liability	\$372,901,419	\$430,150,738	\$263,105,652	\$373,017,411	\$351,560,054	\$313,086,036	\$264,365,285	\$252,694,704	\$252,749,097	\$236,512,593
School District's covered payroll	\$114,481,532	\$111,341,594	\$101,407,249	\$97,023,828	\$93,055,398	\$89,792,682	\$86,072,934	\$84,658,411	\$86,306,925	\$92,104,586
School District's proportionate share of the net pension liability as a percentage of its covered payroll	325.73 %	386.33 %	259.45 %	384.46 %	377.80 %	348.68 %	307.14 %	298.49 %	292.85 %	256.79 %
Plan fiduciary net position as a percentage of total pension liability	65.91 %	60.77 %	72.32 %	59.49 %	60.08 %	62.12 %	63.96 %	63.01 %	62.92 %	66.15 %

Plymouth-Canton Community Schools

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

	Last Ten Fiscal Years									
	Years Ended June 30									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 48,915,215	\$ 53,736,911	\$ 39,496,049	\$ 32,717,110	\$ 29,229,021	\$ 27,573,689	\$ 26,208,885	\$ 23,952,714	\$ 23,809,029	\$ 17,195,497
Contributions in relation to the										
statutorily required contribution	48,915,215	53,736,911	39,496,049	32,717,110	29,229,021	27,573,689	26,208,885	23,952,714	23,809,029	17,195,497
Contribution Deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's Covered Payroll	\$ 119,053,509	\$ 112,972,604	\$ 109,803,525	\$ 99,437,876	\$ 96,600,216	\$ 91,876,986	\$ 89,202,051	\$ 85,357,679	\$ 84,661,542	\$ 88,080,405
Contributions as a Percentage of Covered Payroll	41.09 %	47.57 %	35.97 %	32.90 %	30.26 %	30.01 %	29.38 %	28.06 %	28.12 %	19.52 %

Plymouth-Canton Community Schools

Required Supplementary Information Schedule of the School District's Proportionate Share of the Net OPEB Liability (Asset) Michigan Public School Employees' Retirement System

	Last Seven Plan Years						
	2023	2022	2021	2020	2019	2018	2017
School District's proportion of the net OPEB (asset) liability	1.14885 %	1.14840 %	1.12499 %	1.09675 %	1.06635 %	1.05578 %	1.01971 %
School District's proportionate share of the net OPEB (asset) liability	\$ (6,499,012)	\$ 24,323,732	\$ 17,171,536	\$ 58,755,900	\$ 76,540,207	\$ 83,923,058	\$ 90,300,113
School District's covered payroll	\$ 114,481,532	\$ 111,341,594	\$ 101,407,249	\$ 97,023,828	\$ 93,055,398	\$ 89,792,682	\$ 86,072,934
School District's proportionate share of the net OPEB (asset) liability as a percentage of its covered payroll	(5.68)%	21.85 %	16.93 %	60.56 %	82.25 %	93.46 %	104.91 %
Plan fiduciary net position as a percentage of total OPEB liability	105.04 %	83.09 %	88.87 %	59.76 %	48.67 %	43.10 %	36.53 %

Plymouth-Canton Community Schools

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

	Last Seven Fiscal Years Years Ended June 30						
	2024	2023	2022	2021	2020	2019	2018
Statutorily required contribution Contributions in relation to the statutorily required contribution	\$ 9,780,752	\$ 9,093,391	\$ 8,948,109	\$ 8,161,960	\$ 7,694,530	\$ 7,172,244	\$ 6,415,190
Contribution Deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's Covered Payroll	\$ 119,053,509	\$ 112,972,604	\$ 109,803,525	\$ 99,437,876	\$ 96,600,216	\$ 91,876,986	\$ 89,202,051
Contributions as a Percentage of Covered Payroll	8.22 %	8.05 %	8.15 %	8.21 %	7.97 %	7.81 %	7.19 %

Budgetary Comparison Schedule - General Fund

1 - Capital outlay expenditures are included in the functional categories to which they relate in accordance with the adopted budget of the School District. Capital outlay is presented separately on the statement of revenue, expenditures, and changes in fund balances.

2 - Proceeds from the sale of capital assets are included in local revenue in accordance with the adopted budget of the School District. Proceeds are presented separately on the statement of revenue, expenditures, and changes in fund balances.

3 - Transfers to debt funds to fund principal payments are included in debt service in accordance with the adopted budget of the School District. These transfers are presented as transfers out within other financing uses on the statement of revenue, expenditures, and changes in fund balances.

Pension Information

Benefit Changes

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

Changes in Assumptions

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

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

OPEB Information

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

Benefit Changes

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

June 30, 2024

Changes in Assumptions

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

- 2023 - The health care cost trend rate used in the September 30, 2023 actuarial valuation decreased by 0.25 percentage points for members under 65 and increased by 1.00 percentage point for members over 65. In addition, actual per person health benefit costs were lower than projected. The valuation includes the impact of an updated experience study for periods from 2017 to 2022.
- 2022 - The discount rate and investment rate of return used in the September 30, 2021 actuarial valuation decreased by 0.95 percentage points. This resulted in a lower than projected per person health benefit costs to reduce the plan's total OPEB liability by an additional \$1.1 billion in 2022.
- 2021 - The health care cost trend rate used in the September 30, 2020 actuarial valuation increased by 0.75 percentage points for members over 65. In addition, actual per person health benefit costs being lower than projected. This reduced the plan's total OPEB liability by an additional \$1.3 billion in 2021.
- 2020 - The health care cost trend rate used in the September 30, 2019 actuarial valuation decreased by 0.50 percentage points. This, in addition to actual per person health benefit costs being lower than projected, reduced the plan's total OPEB liability by an additional \$1.8 billion in 2020.
- 2019 - The discount rate used in the September 30, 2018 actuarial valuation decreased by 0.20 percentage points. The valuation also includes the impact of an updated experience study for the periods from 2012 to 2017. This resulted in lower than projected per person health benefit costs to reduce the plan's total OPEB liability by an additional \$1.4 billion in 2019.
- 2018 - The discount rate used in the September 30, 2017 actuarial valuation decreased by 0.35 percentage points. The valuation also includes the impact of an updated experience study for the periods from 2012 to 2017. This resulted in lower than projected per person health benefit costs to reduce the plan's total OPEB liability by \$1.4 billion in 2018.

Other Supplementary Information

Plymouth-Canton Community Schools

Other Supplementary Information Combining Balance Sheet Nonmajor Governmental Funds

June 30, 2024

	Special Revenue Funds				Debt Service Funds				
	Food Services	Community Services	Act 18	Student Activities	2010 QSCB	2015 Series B	2017 Refunding	2019 Refunding	2020 School Building & Site
Assets									
Cash and investments	\$ 2,110,587	\$ 488,320	\$ 1,655,724	\$ 2,523,618	\$ 1	\$ -	\$ -	\$ -	\$ -
Receivables:									
Accrued interest receivable	-	-	-	-	89,158	-	-	-	-
Other receivables	10,808	-	-	-	-	-	-	-	-
Due from other governments	1,156,352	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	13,063	15,695	2,540	51,438
Inventory	84,502	-	-	-	-	-	-	-	-
Restricted assets	-	-	-	-	6,390,955	214,452	257,664	41,691	844,462
Total assets	\$ 3,362,249	\$ 488,320	\$ 1,655,724	\$ 2,523,618	\$ 6,480,114	\$ 227,515	\$ 273,359	\$ 44,231	\$ 895,900
Liabilities									
Accounts payable	\$ 26,962	\$ 60,770	\$ 543,578	\$ 64,239	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	1,005,220	71,419	427,959	7,220	-	-	-	-	-
Accrued liabilities and other	15,247	80,162	687,443	-	-	-	-	-	-
Unearned revenue	184,723	56,575	-	-	-	-	-	-	-
Total liabilities	1,232,152	268,926	1,658,980	71,459	-	-	-	-	-
Deferred Inflows of Resources	151,819	-	-	-	-	-	-	-	-
Total liabilities and deferred inflows of resources	1,383,971	268,926	1,658,980	71,459	-	-	-	-	-
Fund Balances									
Nonspendable - Inventory	84,502	-	-	-	-	-	-	-	-
Restricted:									
Debt service	-	-	-	-	6,480,114	227,515	273,359	44,231	895,900
Capital projects	-	-	-	-	-	-	-	-	-
Food service	1,893,776	-	-	-	-	-	-	-	-
Committed:									
Capital projects	-	-	-	-	-	-	-	-	-
Committed for community service	-	219,394	-	-	-	-	-	-	-
Committed for student activities	-	-	2,452,159	-	-	-	-	-	-
Unassigned	-	-	(3,256)	-	-	-	-	-	-
Total fund balances	1,978,278	219,394	(3,256)	2,452,159	6,480,114	227,515	273,359	44,231	895,900
Total liabilities, deferred inflows of resources, and fund balances	\$ 3,362,249	\$ 488,320	\$ 1,655,724	\$ 2,523,618	\$ 6,480,114	\$ 227,515	\$ 273,359	\$ 44,231	\$ 895,900

Plymouth-Canton Community Schools

Other Supplementary Information Combining Balance Sheet (Continued) Nonmajor Governmental Funds

June 30, 2024

	Debt Service Funds			Capital Projects Funds			Total
	2021 Refunding	2023 School Building & Site	Total Debt Service Funds	Capital Improvements	2013 Capital Projects	2015 Capital Projects	
Assets							
Cash and investments	-	1,102	1,103	727,099	-	-	7,506,451
Receivables:							
Accrued interest receivable	-	-	89,158	-	-	-	89,158
Other receivables	-	-	-	-	-	-	10,808
Due from other governments	-	-	-	-	-	-	1,156,352
Due from other funds	60,525	54,572	197,833	-	-	-	222,892
Inventory	-	-	-	-	-	25,059	84,502
Restricted assets	993,645	894,945	9,637,814	-	275,372	146,080	10,642,326
	\$ 1,054,170	\$ 950,619	\$ 9,925,908	\$ 727,099	\$ 275,372	\$ 146,080	\$ 19,712,489
Liabilities							
Accounts payable	-	-	-	-	-	-	695,549
Due to other funds	-	-	-	49,471	275,372	146,080	1,982,741
Accrued liabilities and other	-	-	-	-	-	-	782,852
Unearned revenue	-	-	-	-	-	-	241,298
	-	-	-	49,471	275,372	146,080	3,702,440
Deferred Inflows of Resources							
Total liabilities and deferred inflows of resources	-	-	-	49,471	275,372	146,080	3,854,259
Fund Balances							
Nonspendable - Inventory	-	-	-	-	-	-	84,502
Restricted:							
Debt service	1,054,170	950,619	9,925,908	-	-	-	9,925,908
Capital projects	-	-	-	-	-	608,119	608,119
Food service	-	-	-	-	-	-	1,893,776
Committed:							
Capital projects	-	-	-	677,628	-	-	677,628
Committed for community service	-	-	-	-	-	-	219,394
Committed for student activities	-	-	-	-	-	-	2,452,159
Unassigned	-	-	-	-	-	-	(3,256)
	1,054,170	950,619	9,925,908	677,628	-	-	15,858,230
Total fund balances	\$ 1,054,170	\$ 950,619	\$ 9,925,908	\$ 727,099	\$ 275,372	\$ 146,080	\$ 19,712,489
Total liabilities, deferred inflows of resources, and fund balances							

Plymouth-Canton Community Schools

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

	Year Ended June 30, 2024									
	Special Revenue Funds					Debt Service Funds				
	Food Services	Community Services	Act 18	Student Activities	2010 QSCB	2015 Series B	2017 Refunding	2019 Refunding	2020 School Building & Site	
Revenue										
Local sources	\$ 717,269	\$ 3,692,606	\$ -	\$ 2,472,215	\$ 299,205	\$ 2,009,006	\$ 1,702,905	\$ 293,625	\$ 7,881,486	
State sources	4,965,275	-	3,496,991	-	-	36,108	30,553	5,277	141,655	
Federal sources	3,526,489	-	-	-	-	-	-	-	-	
Interdistrict sources	-	-	5,744,276	-	-	-	-	-	-	
Total revenue	9,209,033	3,692,606	9,241,267	2,472,215	299,205	2,045,114	1,733,458	298,902	8,023,141	
Expenditures										
Current:										
Instruction	-	274,310	5,369,391	-	-	-	-	-	-	
Support services	478,473	1,009	3,875,132	2,408,631	-	-	-	-	-	
Food services	8,745,800	196	-	-	-	-	-	-	-	
Community services	345	4,151,177	-	-	-	-	-	-	-	
Debt service:										
Principal	-	-	-	-	-	1,150,000	1,605,000	300,000	5,475,000	
Interest	-	-	-	-	-	905,125	765,250	24,000	2,625,750	
Other debt costs	-	-	-	-	-	1,751	500	2,300	301	
Capital outlay	155,084	5,925	-	-	-	-	-	-	-	
Total expenditures	9,379,702	4,432,617	9,244,523	2,408,631	-	2,056,876	2,370,750	326,300	8,101,051	
Excess of Revenue (Under) Over Expenditures	(170,669)	(740,011)	(3,256)	63,584	299,205	(11,762)	(637,292)	(27,398)	(77,910)	
Other Financing Sources (Uses)										
Proceeds from sale of capital assets	-	-	-	-	-	-	-	-	-	
Transfers in	36,760	-	-	-	472,500	-	-	-	-	
Transfers out	(617,504)	-	-	-	-	-	-	-	-	
Total other financing (uses) sources	(580,744)	-	-	-	472,500	-	-	-	-	
Net Change in Fund Balances	(751,413)	(740,011)	(3,256)	63,584	771,705	(11,762)	(637,292)	(27,398)	(77,910)	
Fund Balances - Beginning of year	2,729,691	959,405	-	2,388,575	5,708,409	239,277	910,651	71,629	973,810	
Fund Balances - End of year	\$ 1,978,278	\$ 219,394	\$ (3,256)	\$ 2,452,159	\$ 6,480,114	\$ 227,515	\$ 273,359	\$ 44,231	\$ 895,900	

Plymouth-Canton Community Schools

Other Supplementary Information Combining Statement of Revenue, Expenditures, and Changes in Fund Balances (Continued) Nonmajor Governmental Funds

Year Ended June 30, 2024

	Debt Service Funds			Capital Projects Funds				Total
	2021 Refunding	2023 School Building & Site	Total Debt Service Funds	Capital Improvements	2013 Capital Projects	2015 Capital Projects	2019 Capital Projects	
Revenue								
Local sources	\$ 9,272,337	\$ 9,751,407	\$ 31,209,971	\$ 6,971	\$ 13,968	\$ 7,410	\$ 76,011	\$ 38,196,421
State sources	166,653	175,263	555,509	-	-	-	-	9,017,775
Federal sources	-	-	-	-	-	-	-	3,526,489
Interdistrict sources	-	-	-	-	-	-	-	5,744,276
Total revenue	9,438,990	9,926,670	31,765,480	6,971	13,968	7,410	76,011	56,484,961
Expenditures								
Current:								
Instruction	-	-	-	-	-	-	-	5,643,701
Support services	-	-	-	-	4,901	2,599	-	6,770,745
Food services	-	-	-	-	-	-	-	8,745,996
Community services	-	-	-	-	-	-	-	4,151,522
Debt service:								
Principal	8,865,000	4,625,000	22,020,000	-	-	-	-	22,020,000
Interest	961,168	4,350,694	9,631,987	-	-	-	-	9,631,987
Other debt costs	351	357	5,560	-	-	-	-	5,560
Capital outlay	-	-	-	567,948	269,474	616,146	1,115,821	2,730,398
Total expenditures	9,826,519	8,976,051	31,657,547	567,948	274,375	618,745	1,115,821	59,699,909
Excess of Revenue (Under) Over Expenditures	(387,529)	950,619	107,933	(560,977)	(260,407)	(611,335)	(1,039,810)	(3,214,948)
Other Financing Sources (Uses)								
Proceeds from sale of capital assets	-	-	-	511,476	-	-	37,245	548,721
Transfers in	-	-	472,500	-	-	34,120	25,059	568,439
Transfers out	-	-	-	-	(34,120)	(25,059)	-	(676,683)
Total other financing (uses) sources	-	-	472,500	511,476	(34,120)	9,061	62,304	440,477
Net Change in Fund Balances	(387,529)	950,619	580,433	(49,501)	(294,527)	(602,274)	(977,506)	(2,774,471)
Fund Balances - Beginning of year	1,441,699	-	9,345,475	727,129	294,527	602,274	1,585,625	18,632,701
Fund Balances - End of year	\$ 1,054,170	\$ 950,619	\$ 9,925,908	\$ 677,628	\$ -	\$ -	\$ 608,119	\$ 15,858,230

Plymouth-Canton Community Schools

Other Supplementary Information Schedule of Bonded Indebtedness

June 30, 2024

Years Ending June 30	2010 Bond		2015 Bond		2017 Bond		2019 Bond		2020 Bond		2021 Bond		2023 Bond		Total
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2025	\$ -	\$ -	1,200,000	1,700,000	1,700,000	300,000	5,475,000	9,050,000	5,325,000	23,050,000	\$ -	\$ -	5,325,000	\$ -	23,050,000
2026	-	-	1,250,000	1,790,000	1,790,000	-	6,350,000	8,695,000	6,525,000	24,610,000	-	-	6,525,000	-	24,610,000
2027	7,560,000	-	2,300,000	1,880,000	1,880,000	-	3,275,000	9,205,000	2,750,000	26,970,000	-	-	2,750,000	-	26,970,000
2028	-	-	2,375,000	1,965,000	1,965,000	-	3,400,000	9,285,000	2,900,000	19,925,000	-	-	2,900,000	-	19,925,000
2029	-	-	2,425,000	2,055,000	2,055,000	-	3,600,000	9,345,000	3,025,000	20,450,000	-	-	3,025,000	-	20,450,000
2030	-	-	2,500,000	2,145,000	2,145,000	-	3,950,000	5,465,000	3,175,000	17,235,000	-	-	3,175,000	-	17,235,000
2031	-	-	2,550,000	2,165,000	2,165,000	-	4,200,000	5,480,000	3,350,000	17,745,000	-	-	3,350,000	-	17,745,000
2032	-	-	2,600,000	-	-	-	5,150,000	5,485,000	3,500,000	16,735,000	-	-	3,500,000	-	16,735,000
2033	-	-	2,650,000	-	-	-	5,300,000	5,485,000	3,675,000	17,165,000	-	-	3,675,000	-	17,165,000
2034	-	-	2,700,000	-	-	-	5,450,000	5,540,000	3,875,000	12,025,000	-	-	3,875,000	-	12,025,000
2035	-	-	2,725,000	-	-	-	5,450,000	-	4,075,000	12,400,000	-	-	4,075,000	-	12,400,000
2036	-	-	-	-	-	-	5,750,000	-	4,275,000	10,025,000	-	-	4,275,000	-	10,025,000
2037	-	-	-	-	-	-	5,900,000	-	4,475,000	10,375,000	-	-	4,475,000	-	10,375,000
2038	-	-	-	-	-	-	6,075,000	-	4,700,000	11,200,000	-	-	4,700,000	-	11,200,000
2039	-	-	-	-	-	-	6,250,000	-	4,950,000	11,500,000	-	-	4,950,000	-	11,500,000
2040	-	-	-	-	-	-	6,325,000	-	5,175,000	11,500,000	-	-	5,175,000	-	11,500,000
2041	-	-	-	-	-	-	-	-	5,450,000	5,450,000	-	-	5,450,000	-	5,450,000
2042	-	-	-	-	-	-	-	-	5,700,000	5,700,000	-	-	5,700,000	-	5,700,000
2043	-	-	-	-	-	-	-	-	5,975,000	5,975,000	-	-	5,975,000	-	5,975,000
Total remaining payments															
	\$ 7,560,000	\$ -	\$ 25,275,000	\$ 13,700,000	\$ 300,000	\$ 82,050,000	\$ 67,550,000	\$ 82,875,000	\$ 279,310,000	\$ -	\$ -	\$ 82,875,000	\$ 417,320,000	\$ -	\$ 417,320,000
Interest rate	5.40%	3.00% to 4.00%	5.00%	4.00%	3.00%	0.11% to 2.09%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Original issue	\$ 7,560,000	\$ 38,720,000	\$ 26,655,000	\$ 6,035,000	\$ 100,000,000	\$ 85,850,000	\$ 87,500,000	\$ 417,320,000	\$ 417,320,000	\$ 417,320,000	\$ 87,500,000	\$ 87,500,000	\$ 417,320,000	\$ 87,500,000	\$ 417,320,000

Principal payments for the bond issues are due on May 1 of each year.
Interest payments for the bond issues are due on May 1 and November 1 of each year.