

School District of the City of Wyandotte

Financial Statements

June 30, 2025



YEO & YEO

**BUSINESS SUCCESS
PARTNERS**

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School District of the City of Wyandotte
Members of the Board of Education and Administration
June 30, 2025

Members of the Board of Education

Theresa Crnkovich – President

Kathy Kane – Vice President

Kelly Webber – Treasurer

Carrie Martinez – Secretary

Nick Beaven-Parshall – Trustee

Cindy Kinney – Trustee

Wendy LoCicero – Trustee

Administration

Dr. James E. Anderson – Superintendent

Brandy Nusser – Business Manager

Independent Auditors' Report

Management and the Board of Education
School District of the City of Wyandotte
Wyandotte, Michigan

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School District of the City of Wyandotte, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School District of the City of Wyandotte's basic financial statements as listed in the table of contents.

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School District of the City of Wyandotte, as of June 30, 2025, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School District of the City of Wyandotte, 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.

Adoption of New Accounting Standard

As discussed in Note 15 to the financial statements, during the year ended June 30, 2025 the School District of the City of Wyandotte adopted new accounting guidance, GASB Statement No. 101, *Compensated Absences*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 of the City of Wyandotte's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District of the City of Wyandotte'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 of the City of Wyandotte'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, budgetary comparison information, schedule of the school district's proportionate share of the net pension liability, and schedule of the school district's pension contributions, schedule of the school district's proportionate share of the net OPEB liability (asset), and schedule of the school district's OPEB contributions identified in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

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

Prior Year Supplementary Information

We also have previously audited, in accordance with auditing standards generally accepted in the United States, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the School District of the City of Wyandotte's basic financial statements as of and for the year ended June 30, 2024, which are not presented with the accompanying basic financial statements. In our report dated October 24, 2024, we expressed unmodified opinions on the respective basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the basic financial statements that collectively comprise the School District of the City of Wyandotte's basic financial statements as a whole. The 2024 information in the comparative supplementary schedules is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2024 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures

in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2024 information in the comparative supplementary schedules is fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 21, 2025 on our consideration of the School District of the City of Wyandotte's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District of the City of Wyandotte'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 of the City of Wyandotte's internal control over financial reporting and compliance.

Yeo & Yeo, P.C.

Ann Arbor, MI
October 21, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

**Management's Discussion and Analysis
For The Fiscal Year Ended June 30, 2025**

The School District of the City of Wyandotte ("the School District"), a K-12 School District located in Wayne County, Michigan, complies with the provisions of Governmental Accounting Standards Board Statement 34 (GASB 34) with the enclosed financial statements. The management's discussion and analysis, a requirement of GASB 34, is intended to be the School District management's discussion and analysis of the financial results for the fiscal year ended June 30, 2025.

Generally accepted accounting principles (GAAP), according to GASB 34, require the reporting of two types of financial statements: district-wide financial statements and fund financial statements.

Fund Financial Statements

The fund level financial statements are reported on a modified accrual basis. Only those assets that are "measurable" and "currently available" are reported. Liabilities are recognized to the extent that they are normally expected to be paid with current financial resources.

The fund statements are formatted to comply with the legal requirements of the Michigan Department of Education's "Accounting Manual". In the State of Michigan, the School District's major instructional and instructional support activities are reported in the General Fund. Additional activities are reported in their relevant funds including: Debt Fund, Capital Projects Fund, Sinking Fund, and Special Revenue Funds which are comprised of: Cafeteria Fund, Student and School Activities Fund and Special Education Center.

In the fund financial statements, purchased capital assets are reported as expenditures in the year of acquisition. No asset is reported. The issuance of debt is recorded as a financial resource. The current year's payments of principal and interest on long-term obligations are recorded as expenditures. Future year's debt obligations are not recorded.

District-Wide Financial Statements

The district-wide financial statements are full accrual basis statements. They report all of the School District's assets and liabilities, both short and long term, whether they are "currently available" or not. For example, assets that are restricted for use in the Debt Fund solely for the payment of long-term principal and interest are grouped with unrestricted assets of the General Fund. Capital assets and long-term obligations of the School District are reported in the statement of net assets of the district-wide financial statements.

Management's Discussion and Analysis
For The Fiscal Year Ended June 30, 2025

Summary of Net Position

The following is a comparative summary of net position at June 30, 2025 and June 30, 2024.

	June 30,	
	2025	2024
Assets		
Current assets	\$ 27,606,918	\$ 30,813,169
Net OPEB asset	17,314,490	2,280,446
Capital assets, net book value	42,661,766	43,031,409
Total assets	<u>87,583,174</u>	<u>76,125,024</u>
Deferred Outflows of Resources		
Deferred amount of pension expense related to net pension liability	29,451,685	39,439,714
Deferred amount of OPEB expense related to net OPEB asset/liability	4,818,571	8,856,562
Total deferred outflows of resources	<u>34,270,256</u>	<u>48,296,276</u>
Liabilities		
Current liabilities	10,672,505	9,675,196
Long-term liabilities	153,023,570	172,324,784
Total liabilities	<u>163,696,075</u>	<u>181,999,980</u>
Deferred Inflows of Resources		
Deferred amount on debt refunding	1,384,185	-
Deferred amount on leases receivable	240,048	243,674
Deferred amount relating to the net pension liability	34,615,982	22,798,574
Deferred amount relating to the net OPEB asset	22,990,633	18,985,573
Total deferred inflows of resources	<u>59,230,848</u>	<u>42,027,821</u>
Net Position		
Net investment in capital assets	11,213,659	1,484,771
Restricted for debt service	183,443	4,880,972
Restricted for food service	718,440	593,086
Capital projects	446,333	870,854
Net OPEB asset	17,314,490	2,280,446
Unrestricted	(130,949,858)	(109,716,630)
Total net position	<u>\$ (101,073,493)</u>	<u>\$ (99,606,501)</u>

**Management's Discussion and Analysis
For The Fiscal Year Ended June 30, 2025**

Analysis of Financial Position

During the fiscal year ended June 30, 2025, the School District's net position increased by \$14,847,446. A few of the significant factors affecting net assets during the year are discussed below:

A. General Fund Operations

The School District's General Fund revenues exceeded expenditures by \$1,684,738 for the fiscal year ended June 30, 2025. See the section entitled Results of Operations for further discussion of General Fund operations.

B. Debt, Principal Payments

The School District made principal payments on bonded, long-term debt obligations as follows:

Outstanding Bonds:

Principal balance, June 30, 2024	\$36,440,715
Change in debt due to refunding	(2,365,000)
Principal payments	<u>(5,820,715)</u>
Principal balance, June 30, 2025	<u>\$28,255,000</u>

**Management’s Discussion and Analysis
For The Fiscal Year Ended June 30, 2025**

C. Net Investment in Capital Assets

The School District’s net investment in capital assets decreased by \$369,643 during the fiscal year. This is summarized as follows:

	<u>Balance June 30, 2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2025</u>
Capital assets	\$ 122,794,304	\$ 3,484,567	\$ (183,471)	\$ 126,095,400
Less: accumulated depreciation	<u>(79,762,895)</u>	<u>(3,791,632)</u>	<u>120,893</u>	<u>(83,433,634)</u>
Net investment	<u>\$ 43,031,409</u>	<u>\$ (307,065)</u>	<u>\$ (62,578)</u>	<u>\$ 42,661,766</u>

**Management’s Discussion and Analysis
For The Fiscal Year Ended June 30, 2025**

The following is a comparative summary of operations for June 30, 2025 and June 30, 2024.

Revenues	<u>2025</u>	<u>2024</u>
General revenues		
Property taxes levied for general operations	\$ 4,546,617	\$ 4,314,247
Property taxes levied for debt services	2,578,854	2,411,766
Property taxes levied for sinking fund	1,154,709	1,091,657
State of Michigan unrestricted foundation aid	39,165,621	39,382,583
Enhancement millage	1,736,588	1,784,237
Interest on investments	135,573	182,929
Other general revenues	<u>1,978,324</u>	<u>767,528</u>
Total general revenues	<u>51,296,286</u>	<u>49,934,947</u>
Operating grants and contributions		
Instruction	40,553,574	38,340,645
Supporting services	7,952,254	5,503,900
Food services	<u>2,954,302</u>	<u>3,067,215</u>
Total operating grants and contributions	<u>51,460,130</u>	<u>46,911,760</u>
Charges for services		
Supporting services	1,887,047	559,776
Community services	-	405,815
Student and school activities	431,357	1,265,432
Food services	<u>67,374</u>	<u>63,856</u>
Total charges for services	<u>2,385,778</u>	<u>2,294,879</u>
Total revenue	<u>105,142,194</u>	<u>99,141,586</u>

**Management’s Discussion and Analysis
For The Fiscal Year Ended June 30, 2025**

	<u>2025</u>	<u>2024</u>
Expenses		
Instruction	41,310,347	41,630,572
Supporting services	40,380,520	36,268,875
Student and school activities	-	1,225,772
Food services	2,402,071	2,733,374
Community services	669,263	674,405
Interest and fiscal charges on long-term debt	1,740,915	1,476,112
Depreciation - unallocated	<u>3,791,632</u>	<u>3,773,970</u>
 Total expenses	 <u>90,294,748</u>	 <u>87,783,080</u>
Increase in net position	14,847,446	11,358,506
Beginning net position, as previously reported	(99,606,501)	(110,965,007)
Adoption of new accounting standard (GASB 101)	<u>(16,314,438)</u>	<u>-</u>
Beginning net position, as restated	<u>(115,920,939)</u>	<u>(110,965,007)</u>
Ending net position	<u>\$ (101,073,493)</u>	<u>\$ (99,606,501)</u>

The State of Michigan’s Foundation payment to school districts is determined with the following variables:

- a. State of Michigan State Aid Act per student foundation allowance
- b. Student Enrollment - blended at 90% of the current year’s fall count and 10% of the prior year’s spring count.
- c. The School District’s non-homestead tax levy reduced by Tax Increment Finance Authority (TIFA) capture.

Per Student, Foundation Allowance

Annually, the State of Michigan establishes the per student foundation allowance. The School District’s foundation allowance was \$9,608 per student for the 2024-2025 school year.

**Management's Discussion and Analysis
For The Fiscal Year Ended June 30, 2025**

Student Enrollment

The following chart summarizes fall student enrollments (non-blended) for the past five years; expressed as Full Time Equivalents (FTE):

	<u>General Ed/ Special Ed</u>	<u>Center Program</u>	<u>Total</u>	<u>Increase/Decrease From Prior Year</u>
2024-25	3,699	547	4,246	(52)
2023-24	3,752	546	4,298	(123)
2022-23	3,863	558	4,421	(54)
2021-22	3,928	547	4,475	(129)
2020-21	4,029	575	4,604	(88)

Subsequent to year-end June 30, 2025, preliminary student enrollment counts for 2025-26 indicate that enrollment will be consistent as compared with 2024-2025.

**Management’s Discussion and Analysis
For The Fiscal Year Ended June 30, 2025**

Property Taxes Levied for General Operations (General Fund Non-Homestead Taxes)

The School District levies 18 mills of property taxes for General Fund operations on non-homestead (business) properties. In 2006 the rate was reduced to 17.9190 due to the Headlee millage reduction fraction. In 2014 the full 18 mills were restored for a period of ten years, through 2025. Under Michigan law, the taxable levy is based on the taxable valuation of properties. Annually, the taxable valuation increase in property values is capped at the rate of the prior year’s CPI increase or 5 percent, whichever is less. At the time of sale, a property’s taxable valuation is readjusted to the state equalized value, which is theoretically, 50 percent of the market value.

The School District’s non-homestead property tax revenue for the 2024-2025 fiscal year was \$4,473,370. Non-homestead tax revenue remained the same as prior year. The numbers reported in these financial statements are the last figures reported to the Michigan Department of Education.

Most of the School District’s non-homestead property is located in a TIFA district where the tax on any increase in valuation over the base year is “captured” in the TIFA.

The following summarizes the School District’s non-homestead property tax collections for the past five years:

<u>Fiscal Year</u>	<u>Non-Homestead Tax-Levy</u>	<u>% Increase (Decrease) From Prior Year</u>
2024-2025	\$4,473,370	7.7%
2023-2024	4,152,751	9.4%
2022-2023	3,797,552	6.0%
2021-2022	3,581,933	0.7%
2020-2021	3,557,264	0.8%

**Management's Discussion and Analysis
For The Fiscal Year Ended June 30, 2025**

Debt Fund Property Taxes

The School District's debt fund levy, which is used to pay the principal and interest on bond obligations, is based on the taxable valuation of all properties: homestead and non-homestead.

For 2024-2025, the School District's debt millage levy was 3.5 mills which generated revenue of \$2,444,966.

Sinking Fund Property Taxes

The School District's sinking fund levy, which is used to pay for certain building and site improvements throughout the School District, is based on the taxable valuation of all properties including homestead and non-homestead.

For 2024-2025, the School District's sinking fund millage levy was 1.701 mills which generated revenue of \$1,154,709.

Cafeteria Sales (School Lunch Program)

The School District's Cafeteria Fund balance increased by \$125,354.

**Management’s Discussion and Analysis
For The Fiscal Year Ended June 30, 2025**

General Fund Budget - Actual Revenues and Expenditures

General Fund Revenue - 5-Year Comparison of Budget to Actual Results

<u>Fiscal Year</u>	<u>Revenues Original Budget</u>	<u>Revenues Final Budget</u>	<u>Revenues Final Actual</u>	<u>Variance Revenues Actual vs. Original Budget</u>	<u>Variance Revenues Actual vs. Final Budget</u>
2024-2025	\$ 64,609,934	\$ 63,531,019	\$ 63,684,036	-1.43%	0.24%
2023-2024	57,644,809	63,197,574	63,871,190	10.80%	1.07%
2022-2023	59,599,240	65,633,501	67,562,409	13.36%	2.94%
2021-2022	51,023,306	59,599,240	56,497,354	10.73%	-5.20%
2020-2021	45,369,264	52,884,198	53,215,294	17.29%	0.63%

General Fund Expenditures - 5-Year Comparison of Budget to Actual Results

<u>Fiscal Year</u>	<u>Expenditures Original Budget</u>	<u>Expenditures Final Budget</u>	<u>Expenditures Final Actual</u>	<u>Variance Expenditures Actual vs. Original Budget</u>	<u>Variance Expenditures Actual vs. Final Budget</u>
2024-2025	\$ 64,986,130	\$ 65,526,746	\$ 64,355,971	-0.97%	-1.79%
2023-2024	56,864,036	63,996,757	62,521,350	9.95%	-2.31%
2022-2023	57,806,073	64,775,279	67,689,188	17.10%	4.50%
2021-2022	48,159,644	57,807,173	58,336,150	21.13%	0.92%
2020-2021	46,680,589	50,039,786	50,406,079	7.98%	0.73%

**Management's Discussion and Analysis
For The Fiscal Year Ended June 30, 2025**

Original Budget vs. Final Budget Revision

The Uniform Budget Act of the State of Michigan requires that the local Board of Education approve the original budget for the upcoming fiscal year prior to July 1, the start of the fiscal year.

The School District amends its budget as necessary during the school year. For the fiscal year June 30, 2025, the budget was amended in June 2025. The June 2025 budget amendment was the only amended and final budget for the fiscal year.

Revenue

Total revenues original budget	\$64,609,934	
Total revenues final budget	<u>63,531,019</u>	
Decrease in budgeted revenues	<u>\$1,078,915</u>	<u>-1.7%</u>

The School District's actual General Fund revenues differed from the final amended budget by \$153,017, a variance of 0.24% from final budget.

Expenditures

The School District's budget for expenditures changed as follows during the year:

Total expenditures original budget	\$64,986,130	
Total expenditures final budget	<u>65,526,746</u>	
Increase in budgeted expenditures	<u>\$ 540,616</u>	<u>0.8%</u>

The School District's final actual General Fund expenditures were \$1,170,775 less than the final budget, a variance of -1.79%.

Contacting the School District's Financial Management

The financial report is intended to provide our citizens and taxpayers with a general overview of the School District's finances. If you have questions about this report or would like additional information, contact the Finance Office, School District of the City of Wyandotte.

BASIC FINANCIAL STATEMENTS

School District of the City of Wyandotte
Statement of Net Position
June 30, 2025

	Governmental Activities
Assets	
Cash	\$ 9,600,338
Taxes receivable	84,596
Accounts receivable	57,908
Leases receivable	240,048
Due from other governmental units	16,378,071
Inventory	32,487
Investments	11
Prepaid items	1,213,459
Capital assets not being depreciated	1,488,766
Capital assets - net of accumulated depreciation	41,173,000
Net OPEB asset	17,314,490
Total assets	87,583,174
Deferred Outflows of Resources	
Deferred amount relating to the net pension liability	29,451,685
Deferred amount relating to the net OPEB asset	4,818,571
Total deferred outflows of resources	34,270,256
Liabilities	
Accounts payable	724,709
State aid anticipation note payable	714,286
Due to other governmental units	1,484,064
Payroll deductions and withholdings	2,894
Accrued expenditures	1,085,601
Accrued salaries payable	5,717,419
Unearned revenue	943,532
Long-term liabilities	
Net pension liability	98,983,918
Due within one year	3,023,032
Due in more than one year	51,016,620
Total liabilities	163,696,075

See Accompanying Notes to the Financial Statements

School District of the City of Wyandotte
Statement of Net Position
June 30, 2025

	<u>Governmental Activities</u>
Deferred Inflows of Resources	
Deferred amount on debt refunding	1,384,185
Deferred amount on leases receivable	240,048
Deferred amount relating to the net pension liability	34,615,982
Deferred amount relating to the net OPEB asset	<u>22,990,633</u>
 Total deferred inflows of resources	 <u>59,230,848</u>
 Net Position	
Net investment in capital assets	11,213,659
Restricted for	
Food service	718,440
Debt service	183,443
Capital projects	446,333
Net OPEB asset	17,314,490
Unrestricted	<u>(130,949,858)</u>
 Total net position	 <u>\$ (101,073,493)</u>

See Accompanying Notes to the Financial Statements

School District of the City of Wyandotte
Statement of Activities
For the Year Ended June 30, 2025

	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	
Functions/Programs				
Governmental activities				
Instruction	\$ 41,310,347	\$ -	\$ 40,553,574	\$ (756,773)
Supporting services	40,380,520	1,887,047	7,952,254	(30,541,219)
Food services	2,402,071	67,374	2,954,302	619,605
Community services	669,263	431,357	-	(237,906)
Interest and fiscal charges on long-term debt	1,740,915	-	-	(1,740,915)
Depreciation - unallocated	3,791,632	-	-	(3,791,632)
Total governmental activities	<u>\$ 90,294,748</u>	<u>\$ 2,385,778</u>	<u>\$ 51,460,130</u>	<u>(36,448,840)</u>
General revenues				
Property taxes, levied for general purposes				4,546,617
Property taxes, levied for debt service				2,578,854
Property taxes, levied for sinking fund				1,154,709
State aid - unrestricted				39,165,621
Enhancement millage				1,736,588
Interest and investment earnings				135,573
Other				<u>1,978,324</u>
Total general revenues				<u>51,296,286</u>
Change in net position				<u>14,847,446</u>
Net position - beginning, as previously reported				(99,606,501)
Adoption of new accounting standard (GASB 101)				<u>(16,314,438)</u>
Net position - beginning, as restated				<u>(115,920,939)</u>
Net position - ending				<u>\$(101,073,493)</u>

See Accompanying Notes to the Financial Statements

School District of the City of Wyandotte
Governmental Funds
Balance Sheet
June 30, 2025

	General Fund	Special Education Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash	\$ 8,726,474	\$ -	\$ -	\$ 873,864	\$ 9,600,338
Taxes receivable	84,596	-	-	-	84,596
Accounts receivable	57,447	-	-	461	57,908
Leases receivable	240,048	-	-	-	240,048
Due from other funds	1,378,336	-	392,955	3,943,992	5,715,283
Due from other governmental units	12,873,768	3,500,060	-	4,243	16,378,071
Inventory	12,263	-	-	20,224	32,487
Investments	-	-	-	11	11
Prepaid items	1,213,459	-	-	-	1,213,459
Total assets	\$ 24,586,391	\$ 3,500,060	\$ 392,955	\$ 4,842,795	\$ 33,322,201
Liabilities					
Accounts payable	\$ 508,853	\$ 32,100	\$ -	\$ 183,756	\$ 724,709
State aid anticipation note payable	714,286	-	-	-	714,286
Due to other funds	4,336,947	1,378,336	-	-	5,715,283
Due to other governmental units	1,484,064	-	-	-	1,484,064
Payroll deductions and withholdings	2,894	-	-	-	2,894
Accrued expenditures	21,870	-	-	-	21,870
Accrued salaries payable	3,617,590	2,089,624	-	10,205	5,717,419
Unearned revenue	921,483	-	-	22,049	943,532
Total liabilities	11,607,987	3,500,060	-	216,010	15,324,057

See Accompanying Notes to the Financial Statements

School District of the City of Wyandotte
Governmental Funds
Balance Sheet
June 30, 2025

	General Fund	Special Education Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Deferred Inflows of Resources					
Unavailable revenue					
Grants	136,984	2,538,156	-	-	2,675,140
Leases	240,048	-	-	-	240,048
	<u>377,032</u>	<u>2,538,156</u>	<u>-</u>	<u>-</u>	<u>2,915,188</u>
Fund Balances					
Non-spendable					
Inventory	12,263	-	-	20,224	32,487
Prepaid items	1,213,459	-	-	-	1,213,459
Restricted for					
Food service	-	-	-	698,216	698,216
Debt service	-	-	392,955	-	392,955
Capital projects	-	-	-	446,333	446,333
Committed					
Student and school activities	-	-	-	873,864	873,864
Capital projects	-	-	-	2,588,148	2,588,148
Assigned					
Special education fund settlements	2,538,156	-	-	-	2,538,156
Budgeted excess expenditures over revenues	1,122,148	-	-	-	1,122,148
Unassigned fund balance (deficit)	7,715,346	(2,538,156)	-	-	5,177,190
	<u>12,601,372</u>	<u>(2,538,156)</u>	<u>392,955</u>	<u>4,626,785</u>	<u>15,082,956</u>
Total fund balances (deficit)					
Total liabilities, deferred inflows of resources, and fund balances (deficit)	<u>\$ 24,586,391</u>	<u>\$ 3,500,060</u>	<u>\$ 392,955</u>	<u>\$ 4,842,795</u>	<u>\$ 33,322,201</u>

See Accompanying Notes to the Financial Statements

School District of the City of Wyandotte
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2025

Total fund balances for governmental funds	\$ 15,082,956
Total net position for governmental activities in the statement of net position is different because:	
Certain receivables are not available to pay for current period expenditures and, therefore, are unavailable in the funds.	
Unavailable revenue for grants receivable balances not collected within 60 days	136,984
Due from other governmental units - Special Education Settlements	2,538,156
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Capital assets not being depreciated	1,488,766
Capital assets - net of accumulated depreciation	41,173,000
Net OPEB asset is not recorded as an asset in the governmental funds	17,314,490
Deferred outflows (inflows) of resources	
Deferred inflows of resources resulting from debt refunding	(1,384,185)
Deferred outflows of resources resulting from the net pension liability	29,451,685
Deferred outflows of resources resulting from the net OPEB asset	4,818,571
Deferred inflows of resources resulting from the net pension liability	(34,615,982)
Deferred inflows of resources resulting from the net OPEB asset	(22,990,633)
Certain liabilities are not due and payable in the current period and are not reported in the funds.	
Accrued interest	(209,512)
Incurred but not reported benefit claims	(809,219)
Special termination benefits	(45,000)
Long-term liabilities applicable to governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities.	
Net pension liability	(98,983,918)
Compensated absences	(22,591,545)
Bonds payable	(30,775,878)
Other loans payable and liabilities	<u>(672,229)</u>
Net position of governmental activities	<u>\$ (101,073,493)</u>

See Accompanying Notes to the Financial Statements

School District of the City of Wyandotte
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2025

	General Fund	Special Education Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Local sources	\$ 5,837,324	\$ 177,375	\$ 2,595,303	\$ 2,380,507	\$ 10,990,509
State sources	48,705,206	16,420,715	-	446,917	65,572,838
Federal sources	3,370,057	-	-	2,501,111	5,871,168
Interdistrict sources	5,771,449	14,330,102	-	1,737,490	21,839,041
	<u>63,684,036</u>	<u>30,928,192</u>	<u>2,595,303</u>	<u>7,066,025</u>	<u>104,273,556</u>
Expenditures					
Current					
Education					
Instruction	36,469,993	10,708,641	-	-	47,178,634
Supporting services	25,435,483	19,282,318	-	1,201,507	45,919,308
Food services	-	-	-	2,896,322	2,896,322
Community services	827,138	6,875	-	-	834,013
Facilities acquisition	-	-	-	3,286,363	3,286,363
Capital outlay	1,122,592	-	-	-	1,122,592
Debt service					
Principal	273,974	-	6,102,987	-	6,376,961
Interest and other expenditures	226,791	-	1,519,595	-	1,746,386
Payment to bond refunding escrow agent	-	-	25,677,728	-	25,677,728
	<u>64,355,971</u>	<u>29,997,834</u>	<u>33,300,310</u>	<u>7,384,192</u>	<u>135,038,307</u>
Excess (deficiency) of revenues over expenditures	<u>(671,935)</u>	<u>930,358</u>	<u>(30,705,007)</u>	<u>(318,167)</u>	<u>(30,764,751)</u>

See Accompanying Notes to the Financial Statements

School District of the City of Wyandotte
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2025

	General Fund	Special Education Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Other Financing Sources (Uses)					
Proceeds from refinancing debt	-	-	25,883,693	-	25,883,693
Transfers in	2,474,987	15,000	118,314	177,375	2,785,676
Transfers out	<u>(118,314)</u>	<u>(2,652,362)</u>	<u>-</u>	<u>(15,000)</u>	<u>(2,785,676)</u>
Total other financing sources (uses)	<u>2,356,673</u>	<u>(2,637,362)</u>	<u>26,002,007</u>	<u>162,375</u>	<u>25,883,693</u>
Net change in fund balances	<u>1,684,738</u>	<u>(1,707,004)</u>	<u>(4,703,000)</u>	<u>(155,792)</u>	<u>(4,881,058)</u>
Fund balances - beginning, as previously reported	10,085,482	-	5,095,955	4,782,577	19,964,014
Change within financial reporting entity (change in accounting principle)	<u>831,152</u>	<u>(831,152)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficit) - beginning, as adjusted	<u>10,916,634</u>	<u>(831,152)</u>	<u>5,095,955</u>	<u>4,782,577</u>	<u>19,964,014</u>
Fund balances (deficit) - ending	<u>\$ 12,601,372</u>	<u>\$ (2,538,156)</u>	<u>\$ 392,955</u>	<u>\$ 4,626,785</u>	<u>\$ 15,082,956</u>

See Accompanying Notes to the Financial Statements

School District of the City of Wyandotte
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2025

Net change in fund balances - Total governmental funds	\$ (4,881,058)
Total change in net position reported for governmental activities in the statement of activities is different because:	
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.	
Special education grants	731,654
Operating grants	136,984
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Depreciation and amortization expense	(3,791,632)
Capital outlay	3,421,989
Expenses are recorded when incurred in the statement of activities.	
Interest	5,471
Benefit claims	(147,985)
Compensated absences	(9,668,865)
The statement of net position reports the net pension liability and deferred outflows of resources and deferred inflows related to the net pension liability and pension expense. However, the amount recorded on the governmental funds equals actual pension contributions.	
Net change in net pension liability	33,984,336
Net change in deferrals of resources related to the net pension liability	(21,805,437)
The statement of net position reports the net OPEB asset and deferred outflows of resources and deferred inflows related to the net OPEB asset and OPEB changes. However, the amount recorded on the governmental funds equals actual OPEB contributions.	
Net change in net OPEB asset	15,034,044
Net change in deferrals of resources related to the net OPEB asset	(8,043,051)
Bond and note proceeds and capital leases are reported as financing sources in the governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are recorded as liabilities and amortized in the statement of activities. When debt refunding occurs, the difference in the carrying value of the refunding debt and the amount applied to the new debt is reported the same as regular debt proceeds or repayments, as a financing source or expenditure in the governmental funds. However, in the statement of net position, debt refunding may result in deferred inflows of resources or deferred outflows of resources, which are then amortized in the statement of activities.	
Debt issued	(25,883,693)
Repayments of long-term debt	6,376,961
Payment to bond refunding escrow agent	<u>25,677,728</u>
Change in net position of governmental activities	\$ <u>14,847,446</u>

See Accompanying Notes to the Financial Statements

School District of the City of Wyandotte
Notes to the Financial Statements
June 30, 2025

Note 1 - Summary of Significant Accounting Policies

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

Reporting Entity

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

District-wide Financial Statements

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

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

The statement of activities reports both the gross and net cost of each of the School District's functions. The functions are also supported by general government revenues (property taxes and certain intergovernmental revenues). The statement of activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants.

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

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

Fund Financial Statements

Major individual governmental funds are reported as separate columns in the fund financial statements.

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

School District of the City of Wyandotte
Notes to the Financial Statements
June 30, 2025

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

The School District reports the following major governmental funds:

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

Special Education Fund – The Special Education Fund reports the activity of the School District’s Center Program for Special Education of pupils from the nearby Wayne County-area. This program is partially funded from the Wayne County Act 18 tax revenues through the area intermediate school district, Wayne County Regional Educational Service Agency (WCRESA). During the year ended June 30, 2025, the School District provided educational services to approximately 547 visually impaired, emotionally impaired and autistic impaired students. WCRESA's funding is reconciled against expenditures annually which results in a receivable from WCRESA or a payable to WCRESA.

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

Additionally, the School District reports the following fund types:

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes. The School District’s Special Revenue Fund includes the Cafeteria Fund and the Student and School Activity Fund.

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

Sinking Fund – The Sinking Fund is a capital projects fund used to record the sinking fund property tax levy and other revenue and the disbursement of invoices specifically for acquiring new school sites, construction, or repair of school buildings.

Assets, Liabilities and Net Position or Equity

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

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

School District of the City of Wyandotte
Notes to the Financial Statements
June 30, 2025

Property taxes collected are based upon the approved tax rate for the year of levy. For the fiscal year ended June 30, 2025, the rates are as follows per \$1,000 of assessed value.

General Fund	
Non-principal residence exemption	18.00000
Commercial personal property	6.00000
Debt Service Funds	3.50000
Sinking Fund	1.70120

School property taxes are assessed and collected in accordance with enabling state legislation by cities and townships within the School District's boundaries. All of the School District's tax roll lies within Wayne County.

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

Investments – Investments are stated at fair value.

Inventories – 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.

Capital Assets – Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their acquisition value at the date of donation. The School District defines capital assets as assets with an initial individual cost in excess of \$5,000. Costs of normal repair and maintenance that do not add to the value or materially extend asset lives are not capitalized. The School

District does not have infrastructure assets. Buildings, equipment, and vehicles are depreciated using the straight-line method over the following useful lives:

Buildings and additions	20 - 50 years
Equipment and furniture	5 - 20 years
Buses and other vehicles	5 - 15 years

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

Compensated Absences – The accrued compensated absence liability consists of earned leave that is more likely than not to be utilized by employees, or unutilized but paid in cash. The amount anticipated to be paid out over the next year is included within the amounts listed as due within one year.

Long-term Obligations – In the district-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are

School District of the City of Wyandotte
Notes to the Financial Statements
June 30, 2025

deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period.

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

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

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

Deferred Inflows of Resources – A deferred inflow of resources is an acquisition of net position by the government that is applicable to a future reporting period. For governmental funds this includes

unavailable revenue in connection with receivables for revenues that are not considered available to liquidate liabilities of the current period. Deferred amounts on bond refundings are included in the district-wide financial statements. The amounts represent the difference between the reacquisition price and the net carrying amount of the prior debt. For district-wide financial statements, the School District reports deferred inflows of resources as a result of pension and OPEB plan earnings. This amount is the result of a difference between what the plan expected to earn from the plan investments and what the plan actually earned. This amount will be amortized over the next four years and included in pension and OPEB expense. Changes in assumptions relating to the net pension and OPEB liabilities are deferred and amortized over the expected remaining service lives of the employees and retirees in the plans. Deferred inflows of resources also includes revenue received relating to the amounts included in the deferred outflows for payments related to MPSERS Unfunded Actuarial Accrued Liabilities (UAAL) Stabilization defined benefit pension statutorily required contributions.

Fund Balance – In the fund financial statements, governmental funds report fund balance in the following categories:

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

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

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

Assigned – amounts intended to be used for specific purposes, as determined by the Board of Education or by an official or body to which the Board of Education delegates authority.

School District of the City of Wyandotte
Notes to the Financial Statements
June 30, 2025

Residual amounts in governmental funds other than the General Fund are automatically assigned by their nature.

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

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

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

The School District has adopted a minimum fund balance policy, as follows: The School District will maintain a end-year General Fund balance that should not fall below 10% of the preceding year's expenditures.

Use of Estimates

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

Eliminations and Reclassifications

In the process of aggregating data for the statement of net position and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund

receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

Adoption of New Accounting Standards

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

Statement No. 102, *Certain Risk Disclosures*, requires organizations to provide users of the financial statements with essential information about risks related to the organization's vulnerabilities due to certain concentrations or constraints.

Upcoming Accounting and Reporting Changes

Statement No. 103, *Financial Reporting Model Improvements*, improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing an organization's accountability while also addressing certain application issues. This statement includes changes to management's discussion and analysis, unusual or infrequent items, presentation of the proprietary fund statements of revenues, expenses, and changes in fund net position, major component unit information, and budgetary comparison information. This statement is effective for the year ending June 30, 2026.

Statement No. 104, *Disclosure of Certain Capital Assets*, requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital as-sets note disclosures.

School District of the City of Wyandotte
Notes to the Financial Statements
June 30, 2025

Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this statement requires intangible assets other than those three types to be disclosed separately by major class. This statement also requires additional disclosures for capital assets held for sale. This statement is effective for the year ending June 30, 2026.

The School District is evaluating the impact that the above pronouncements will have on its financial reporting.

Note 2 - Stewardship, Compliance, and Accountability

Budgetary Information

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

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

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

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

Excess of Expenditures over Appropriations

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

Function	Final Budget	Amount of Expenditures	Budget Variances
General Fund			
Pupil	\$ 5,780,480	\$ 5,834,310	\$ 53,830
Community services	799,881	827,138	27,257
Debt service	430,531	500,765	70,234
Special Education Fund			
Added needs	10,334,489	10,708,641	374,152
Pupil	16,022,154	16,251,755	229,601
Instructional staff	344,356	365,918	21,562
School administration	1,527,658	1,589,194	61,536
Transfers out	1,712,043	2,652,362	940,319

Fund Deficits

The School District has an accumulated fund balance deficit in the Special Education Fund in the amount of \$2,538,156 as of June 30, 2025. The deficit is caused by unavailable resources of the same amount that are expected to be collected in the future from WCRESA. In the unlikely event the amount is not collected by the School District, the General Fund has sufficient fund balance to cover this deficit. A deficit elimination plan is not required as a result of the deferred inflows.

Compliance - Sinking Funds

The School District's Capital Project Fund records capital project activities funded with Sinking Fund millage. For this fund, the School District has complied with the applicable provisions of 1212 of the Revised School Code.

School District of the City of Wyandotte
Notes to the Financial Statements
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Note 3 - Deposits and Investments

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

	Governmental Activities
Cash	\$ 9,600,338
Investments	11
	\$ 9,600,349

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

Deposits (checking, savings accounts, money markets, certificates of deposit)	\$ 9,597,848
Investments in securities, mutual funds, and similar vehicles	11
Petty cash and cash on hand	2,490
Total	\$ 9,600,349

Interest rate risk – In accordance with its investment policy, the School District manages its exposure to declines in fair values by limiting the investment option.

Credit risk – State statutes authorize the School District to make deposits in the accounts of federally insured banks, credit unions, and savings and loan associations that have an office in Michigan; the School District is allowed to invest in U.S. Treasury or Agency obligations, U.S. government repurchase agreements, bankers' acceptances, commercial paper rated prime at the time of purchase that matures not more than 270 days after the date of purchase, mutual funds, and investment pools that are composed of authorized

investment vehicles. The School District has no investment policy that would further limit its investment choices.

Concentration of credit risk – The School District has no policy that would limit the amount that may be invested with any one issuer.

Custodial credit risk – deposits – In the case of deposits, this is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. The School District does not have a deposit policy for custodial credit risk. As of year-end, \$10,055,513 of the School District's bank balance of \$10,936,442 was exposed to custodial credit risk because it was uninsured and uncollateralized.

Custodial credit risk – investments – For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of year end, all of the School District's investments of \$11 were exposed to custodial credit risk.

The valuation method for investments measured at net asset value (NAV) per share (or its equivalent) is discussed below.

As of June 30, 2025, the net asset value of the School District's investment in MILAF+ Portfolio was \$11. Participation in the investment pool has not resulted in any unfunded commitments. Shares are available to be redeemed upon proper notice without restrictions under normal operating conditions. There are no limits to the number of redemptions that can be made provided the School District has sufficient shares to meet the redemption request. In the event of an emergency that would make the determination of net asset value not reasonably practical, the Trust's Board of Trustees may suspend the right of withdrawal or postpone the date of payment. The net asset value ("NAV") per share of the MILAF+ Portfolio is calculated as of the close of business each business day by dividing the net position of that Portfolio by the number of its outstanding shares. It is

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the MILAF+ Portfolio's objective to maintain a NAV of \$1.00 per share, however, there is no assurance that this objective will be achieved. The exact price for share transactions will be determined based on the NAV next calculated after receipt of a properly executed order. The number of shares purchased or redeemed will be determined by the NAV.

Note 4 - Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	\$ 1,142,101	\$ -	\$ -	\$ 1,142,101
Construction-in-progress	62,588	346,655	62,578	346,665
Total capital assets not being depreciated	1,204,689	346,655	62,578	1,488,766
Capital assets being depreciated				
Buildings and additions	96,806,891	2,176,191	-	98,983,082
Equipment and furniture	22,737,888	946,721	120,893	23,563,716
Buses and other vehicles	584,622	15,000	-	599,622
Right to use asset - buildings and additions	283,314	-	-	283,314
Right to use asset - equipment and furniture	1,176,900	-	-	1,176,900
Total capital assets being depreciated	121,589,615	3,137,912	120,893	124,606,634
Less accumulated depreciation for				
Buildings and additions	61,059,023	2,044,461	-	63,103,484
Equipment and furniture	17,742,185	1,425,203	120,893	19,046,495
Buses and other vehicles	458,419	29,193	-	487,612
Right to use asset - buildings and additions	56,663	56,662	-	113,325
Right to use asset - equipment and furniture	446,605	236,113	-	682,718
Total accumulated depreciation	79,762,895	3,791,632	120,893	83,433,634
Net capital assets being depreciated	41,826,720	(653,720)	-	41,173,000
Net capital assets	\$ 43,031,409	\$ (307,065)	\$ 62,578	\$ 42,661,766

Depreciation expense was not charged to activities, as the School District considers its assets to impact multiple activities and allocation is not practical.

Construction Commitments

The School District has active construction projects at year end. The School District's commitments with contractors are as follows:

	Total Contract	Remaining Construction Commitment at Year End
Restrooms - Jefferson	\$ 286,718	\$ 215,803
PA System - TLC	37,020	10,810
PA System - Jo Brighton	37,020	10,810
PA System - Washington	38,480	11,170
PA System - Monroe	38,480	11,170
PA System - Jefferson	38,480	11,170
Corridor Flooring Replacement - Jo Brighton	157,100	15,710
Total	\$ 633,298	\$ 286,643

Note 5 - Interfund Receivable and Payable and Transfers

Individual interfund receivable and payable balances at year end were:

Payable Fund	Receivable Fund	Amount
General Fund	Nonmajor Governmental Funds	\$ 3,943,992
Special Education Fund	General Fund	1,378,336
General Fund	Debt Service Fund	392,955
		\$ 5,715,283

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

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Management does not anticipate individual interfund balances caused by the time lag of payments to remain outstanding for periods in excess of one year.

Interfund transfers consist of the following:

	Transfers Out			Total
	General Fund	Special Education Fund	Nonmajor Governmental Funds	
Transfers in				
General Fund	\$ -	\$ 2,474,987	\$ -	\$ 2,474,987
Special Education Fund	-	-	15,000	15,000
Debt Service Fund	118,314	-	-	118,314
Nonmajor governmental funds	-	177,375	-	177,375
	<u>\$ 118,314</u>	<u>\$ 2,652,362</u>	<u>\$ 15,000</u>	<u>\$ 2,785,676</u>

Transfers out of the General Fund to the Debt Service Fund were made to cover the costs of the School District programs that were in excess of revenues generated for those activities. Transfers out of Special Education Fund to General Fund were made for indirect cost based on eligible programs. Transfers between the Special Education Fund and nonmajor governmental funds were to cover costs incurred by those programs.

Note 6 - Leases

Lease Liability

The School District leases various office equipment under lease terms ranging from 3 to 5 years. The School District also leases a building under a 5 year lease. As of June 30, 2025, the value of the future required annual principal and interest payments are as follows:

Year ending June 30,	Principal	Interest
2026	\$ 296,301	\$ 34,674
2027	312,605	17,294
2028	<u>63,323</u>	<u>2,077</u>
Total	<u>\$ 672,229</u>	<u>\$ 54,045</u>

Note 7 - Unearned Revenue

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

Food service deposits	\$ 22,049
Grant and categorical aid payments received prior to meeting all eligibility requirements	<u>921,483</u>
Total	<u>\$ 943,532</u>

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Note 8 - State Aid Anticipation Note

The School District issues state aid anticipation notes in advance of state aid collections, depositing the proceeds in the General Fund. These notes are necessary because the School District receives state aid from October through the following August for its fiscal year ending June 30. The School District is required to pledge 100% of their state school aid, October through August, or until the note is repaid, whichever is longer. The State has discretion to accelerate repayment terms if they have cause for concern. If the note is in default status, there is a penalty interest rate that may apply.

Short-term debt activity for the year was as follows:

	Beginning Balance	Proceeds	Repayments	Ending Balance
State aid anticipation note	\$ 432,143	\$ 5,000,000	\$ 4,717,857	\$ 714,286

The state aid anticipation note agreement includes an irrevocable set-aside of \$4,285,714 at year end that is considered defeased debt and not included in the ending balance.

Note 9 - Long-Term Debt

The School District issues bonds, notes, and other contractual commitments to provide for the acquisition and construction of major capital facilities and the acquisition of certain equipment. General obligation bonds are direct obligations and pledge the full faith and credit of the School District. The State can withhold state aid if it has to make a bond payment on behalf of the School District related to qualified bonds. Other long-term obligations include compensated absences, claims and judgments, and certain risk liabilities.

Long-term obligation activity is summarized as follows:

	(As restated) Beginning Balance	Additions	Reductions	Ending Balance	Amount Due Within One Year
Bonds and notes payable					
General obligation bonds	\$36,440,715	\$ 23,595,000	\$31,780,715	\$28,255,000	\$1,525,000
Premium on bonds	1,616,370	2,288,693	1,384,185	2,520,878	-
Total bonds payable	<u>38,057,085</u>	<u>25,883,693</u>	<u>33,164,900</u>	<u>30,775,878</u>	<u>1,525,000</u>
Other liabilities					
Leases	946,203	-	273,974	672,229	296,301
Compensated absences	<u>16,622,680</u>	<u>5,968,865</u>	<u>-</u>	<u>22,591,545</u>	<u>1,201,731</u>
Total other liabilities	<u>17,568,883</u>	<u>5,968,865</u>	<u>273,974</u>	<u>23,263,774</u>	<u>1,498,032</u>
Total	<u>\$55,625,968</u>	<u>\$ 31,852,558</u>	<u>\$33,438,874</u>	<u>\$54,039,652</u>	<u>\$3,023,032</u>

For governmental activities, compensated absences, retiree life insurance benefits, retirement incentives, and leases are primarily liquidated by the General Fund.

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

2015 School Building and Site Bonds are due in annual installments of \$1,510,000 - \$1,600,000 through May 1, 2041, interest at 2.75% to 3.13%	\$ 4,660,000
2025 Refunding Bonds are due in annual installments of \$1,250,000 - \$2,445,000 through May 1, 2041, interest at 5.00%	<u>23,595,000</u>
Total general obligation bonded debt	<u>\$28,255,000</u>

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

<u>Year Ending June 30,</u>	<u>Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2026	\$ 1,525,000	\$ 1,301,391
2027	1,510,000	1,241,526
2028	1,550,000	1,200,000
2029	1,600,000	1,153,500
2030	1,250,000	1,103,500
2031-2035	7,805,000	4,479,500
2036-2040	10,570,000	2,249,500
2041-2045	<u>2,445,000</u>	<u>122,250</u>
Total	<u>\$28,255,000</u>	<u>\$12,851,167</u>

The general obligation bonds are payable from the Debt Service Funds. As of year-end, the fund had a balance \$392,955 to pay this debt. Future debt and interest will be payable from future tax levies. Interest expenditures for the fiscal year were \$1,749,658.

Mandatory Sinking Fund – 2009 School Improvement Bonds

To ensure that sufficient money will be available to pay the principal of the 2009 School Improvement Bonds at maturity, the School District shall annually deposit cash into a mandatory sinking fund held by a bank or trust company eligible in the State of Michigan to hold such funds for the Bonds (the "Mandatory Sinking Fund"). Such annual deposited amounts required August 25 of each year shall, when combined with any earnings on monies held in the Mandatory Sinking Fund that have been earned since the previous deposit date, be sufficient as of August of the given year to equal the annual sinking fund deposit. The annual deposit into the Mandatory Sinking Fund shall be made annually and transferred from the General Fund to the Debt Service fund to be maintained in the Mandatory Sinking Fund. These deposits were used to repay the principal on the bonds at June 30, 2025.

Current Refinancing

In April 2025, the School District issued general obligation bonds of \$23,595,000 and premium of \$2,288,693 (par value) with an interest rate of 5.0% to refinance \$25,960,000 of the 2015 School Building and Site Bond. The net proceeds from the issuance of the general obligation bonds were deposited with an escrow agent to pay off the refinanced debt in June and August 2025, before the originally scheduled maturity dates of the refunded bond.

Deferred Amount on Refunding

The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$1,384,185. This amount is reported in the accompanying statement of net position as a deferred inflow of resources and is being charged to activities through fiscal year June 30, 2041.

Compensated Absences

Compensated absences liability of \$22,591,545 at year end has been calculated based on anticipated amounts of earned sick and vacation time that could be used in the future. The School District does not pay out unused sick or vacation time upon separation. The amount anticipated to be used in the next year is included with amounts listed as due within one year. Compensated absences additions and deductions are reported net.

Additionally, the School District has \$45,000 of retiree benefits payable to those who qualified.

Note 10 - Risk Management

The School District is exposed to various risks of loss related to property loss, torts, errors and omissions, employee injuries (workers' compensation) and certain medical benefits provided to employees. The School District has purchased commercial insurance for general liability, property and casualty and health and vision claims. Settled

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claims relating to the commercial insurance have not exceeded the amount of insurance coverage in the past three fiscal years.

The School District is self-insured for health benefits paid on behalf of its employees. Payments are made to the insurance administrator each week based on actual claims and administration fees. The plan provides a stop-loss provision of \$100,000 per employee. For governmental activities, the liability for health benefits is primarily liquidated by the General Fund.

Change in estimated liability for claims for health benefits for the year is as follows:

	2025	2024
Estimated liability at the beginning of the year	\$ 661,234	\$ 641,988
Estimated claims incurred including changes in estimates	8,195,947	9,309,530
Claim payments	<u>(8,047,962)</u>	<u>(9,290,284)</u>
Estimated liability at the end of the year	<u>\$ 809,219</u>	<u>\$ 661,234</u>

The School District is subject to the Michigan Employment Security Act and has elected to pay unemployment claims on a direct self-insured basis. Under this method, the School District must reimburse the Employment Commission for all benefits charged against the School District. The School District did not pay any significant unemployment compensation expense for the year. No provision has been made for possible future claims.

Note 11 - Pension Plan

Plan Description

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

recodified and currently operating under the provisions of Public Act 300 of 1980, as amended. Section 25 of this act establishes the board's authority to promulgate or amend the provisions of the System. The board consists of twelve members - eleven appointed by the Governor and the State Superintendent of Instruction, who serves as an ex-officio member.

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

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

The System's financial statements are available on the ORS website at www.michigan.gov/orsschools

Benefits Provided

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

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

Contributions

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

Employer contributions to the System are determined on an actuarial basis using the entry age normal actuarial cost method. Under this method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated on a level basis over the service of the individual between entry age and assumed exit age. The portion of this cost allocated to the current valuation year is called the normal cost. The remainder is called the actuarial accrued liability. Normal cost is funded on a current basis. The unfunded (overfunded) actuarial accrued liability as of the September 30, 2023 valuation will be amortized over a 15-year period beginning October 1, 2023 and ending September 30, 2038.

The schedule below summarizes pension contribution rates in effect for plan year ended September 30, 2024.

Pension Contribution Rates

Benefit Structure	Member	Employer
Basic	0.0 - 4.0%	23.03%
Member Investment Plan	3.0 - 7.0%	23.03%
Pension Plus	3.0 - 6.4%	19.17%
Pension Plus 2	6.2%	20.10%
Defined Contribution	0.0%	13.90%

Required contributions to the pension plan from the School District were \$16,903,721 for the year ending September 30, 2024.

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

At June 30, 2025, the School District reported a liability of \$98,983,918 for its proportionate share of the MPSERS net pension liability. The net pension liability was measured as of September 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation rolled forward from September 2023. The School District's proportion of the net pension liability was determined by dividing each employer's statutorily required pension contributions to the system during the measurement period by the percent of pension contributions required from all applicable employers during the measurement period. At September 30, 2024, the School District's proportion was 0.4043 percent, which was a decrease of 0.0065 percent from its proportion measured as of September 30, 2023.

For the plan year ending September 30, 2024, the School District recognized pension expense of \$7,940,523 for the measurement period. For the reporting period ending June 30, 2025, the School District recognized total pension contribution expense of \$16,991,070.

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At June 30, 2025, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Difference between expected and actual experience	\$ 2,685,503	\$ (1,075,474)	\$ 1,610,029
Changes of assumptions	10,319,660	(7,252,391)	3,067,269
Net difference between projected and actual earnings on pension plan investments	-	(18,890,327)	(18,890,327)
Changes in proportion and differences between the School District contributions and proportionate share of contributions	<u>1,028,096</u>	<u>(2,965,215)</u>	<u>(1,937,119)</u>
Total to be recognized in future	14,033,259	(30,183,407)	(16,150,148)
School District contributions subsequent to the measurement date	<u>15,418,426</u>	<u>(4,432,575)</u>	<u>10,985,851</u>
Total	<u>\$29,451,685</u>	<u>\$ (34,615,982)</u>	<u>\$ (5,164,297)</u>

Contributions subsequent to the measurement date reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2026. The School District will offset the contribution expense in the year ended June 30, 2026 with the 147c supplemental income received subsequent to the measurement date which is included in the deferred inflows of resources. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to

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

Deferred (Inflow) and Deferred Outflow of Resources by Year (To Be Recognized in Future Pension Expenses)	
2025	\$ (3,321,007)
2026	9,506
2027	(7,675,866)
2028	<u>(5,162,781)</u>
	<u>\$ (16,150,148)</u>

Actuarial Assumptions

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

Additional information as of the latest actuarial valuation follows:

Summary of Actuarial Assumptions:

- Valuation Date: September 30, 2023
- Actuarial Cost Method: Entry Age, Normal
- Wage inflation rate: 2.75%
- Investment Rate of Return:
 - MIP and Basic Plans: 6.00% net of investment expenses
 - Pension Plus Plan: 6.00% net of investment expenses
 - Pension Plus 2 Plan: 6.00% net of investment expenses

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- Projected Salary Increases: 2.75 - 11.55%, including wage inflation at 2.75%
- Cost-of-Living Pension Adjustments: 3% Annual Non-Compounded for MIP Members
- Mortality:
 - Retirees: PubT-2010 Male and Female Retiree Mortality Tables, scaled by 116% for males and 116% for females and adjusted for mortality improvements using projection scale MP-2021 from 2010.
 - Active: PubT-2010 Male and Female Employee Mortality Tables, scaled 100% and adjusted for mortality improvements using projection scale MP-2021 from 2010.

Assumption changes as a result of an experience study for the period 2017 through 2022 have been adopted by the System for use in the annual pension valuations beginning with the September 30, 2023 valuation. The total pension liability as of September 30, 2024, is based on the results of an actuarial valuation date of September 30, 2023, and rolled forward using generally accepted actuarial procedures, including the experience study.

Recognition period for liabilities is the average of the expected remaining service lives of all employees is 4.4612 years.

Recognition period for assets in years is 5.0000.

Full actuarial assumptions are available in the 2024 MPSERS Annual Comprehensive Financial Report found on the ORS website at www.michigan.gov/orsschools.

Long-Term Expected Return on Plan Assets

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each

major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2024, are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return*
Domestic Equity Pools	25.0 %	5.3%
Private Equity Pools	16.0	9.0%
International Equity	15.0	6.5%
Fixed Income Pools	13.0	2.2%
Real Estate and Infrastructure Pools	10.0	7.1%
Absolute Return Pools	9.0	5.2%
Real Return/Opportunistic Pools	10.0	6.9%
Short Term Investment Pools	2.0	1.4%
	100.0%	

**Long-term rates of return are net of administrative expenses and 2.3% inflation.*

Rate of Return

For the plan year ended September 30, 2024, the annual money-weighted rate of return on pension plan investment, net of pension plan investment expense, was 15.47%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate

A discount rate of 6.00% was used to measure the total pension liability (6.00% for the Pension Plus plan, 6.00% for the Pension Plus 2, hybrid

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

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

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

1% Decrease 5.00%	Current Single Discount Rate Assumption 6.00%	1% Increase 7.00%
\$ 145,111,487	\$ 98,983,918	\$ 60,573,841

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

Detailed information about the pension plan's fiduciary net position is available in the separately issued MPERS Annual Comprehensive

Financial Report, available on the ORS website at www.michigan.gov/orsschools.

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

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

Note 12 - Postemployment Benefits Other Than Pensions (OPEB)

Plan Description

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

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

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

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June 30, 2025

Benefits Provided

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

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

Under Public Act 300 of 2012, members were given the choice between continuing the 3% contribution to retiree healthcare and keeping the premium subsidy benefit described above, or choosing not to pay the

3% contribution and instead opting out of the subsidy benefit and becoming a participant in the Personal Healthcare Fund (PHF), a portable, tax-deferred fund that can be used to pay healthcare expenses in retirement. Participants in the PHF are automatically enrolled in a 2% employee contribution into their 457 account as of their transition date, earning them a 2% employer match into a 401(k) account. Members who selected this option stop paying the 3% contribution to retiree healthcare as of the day before their transition date, and their prior contributions were deposited into their 401(k) account.

Contributions

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

Employer OPEB contributions to the System are determined on an actuarial basis using the entry age normal actuarial cost method. Under this method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated on a level basis over the service of the individual between entry age and assumed exit age. The portion of this cost allocated to the current valuation year is called the normal cost. The remainder is called the actuarial accrued liability. Normal cost is funded on a current basis. The unfunded (overfunded) actuarial accrued liability as of the September 30, 2023 valuation will be amortized over a 15-year period beginning October 1, 2023 and ending September 30, 2038.

School District of the City of Wyandotte
Notes to the Financial Statements
June 30, 2025

The schedule below summarizes OPEB contribution rates in effect for plan year 2024.

OPEB Contribution Rates		
Benefit Structure	Member	Employer
Premium Subsidy	3.0%	8.31%
Personal Healthcare Fund (PHF)	0.0%	7.06%

Required contributions to the OPEB plan from the School District were \$3,343,537 for the year ended September 30, 2024.

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

At June 30, 2025, the School District reported an asset of \$17,314,490 for its proportionate share of the MPSERS net OPEB liability. The net OPEB asset was measured as of September 30, 2024, and the total OPEB asset used to calculate the net OPEB liability was determined by an actuarial valuation rolled forward from September 2023. The School District's proportion of the net OPEB asset was determined by dividing each employer's statutorily required OPEB contributions to the system during the measurement period by the percent of OPEB contributions required from all applicable employers during the measurement period. At September 30, 2024, the School District's proportion was 0.4023 percent, which was a decrease of 0.0009 percent from its proportion measured as of September 30, 2023.

For the plan year ending September 30, 2024, the School District recognized OPEB expense of \$(6,231,257) for the measurement period. For the reporting period ending June 30, 2025, the School District recognized total OPEB contribution expense of \$908,013.

At June 30, 2025, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Difference between expected and actual experience	\$ -	\$(18,348,071)	\$(18,348,071)
Changes of assumptions	3,781,734	(434,679)	3,347,055
Net difference between projected and actual earnings on OPEB plan investments	-	(3,277,831)	(3,277,831)
Changes in proportion and differences between the School District contributions and proportionate share of contributions	724,883	(930,052)	(205,169)
Total to be recognized in future	4,506,617	(22,990,633)	(18,484,016)
School District contributions subsequent to the measurement date	311,954	-	311,954
Total	\$ 4,818,571	\$(22,990,633)	\$(18,172,062)

Contributions subsequent to the measurement date reported as deferred outflows of resources related to OPEB resulting from employer contributions subsequent to the measurement date will be recognized as an addition of the net OPEB asset in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be

School District of the City of Wyandotte
Notes to the Financial Statements
June 30, 2025

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

Deferred (Inflow) and Deferred Outflow of Resources by Year (To Be Recognized in Future OPEB Expenses)	
2025	\$ (5,901,580)
2026	(3,637,772)
2027	(3,504,773)
2028	(3,291,956)
2029	(1,816,381)
Thereafter	(331,554)
	<u>\$ (18,484,016)</u>

Actuarial Assumptions

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

Additional information as of the latest actuarial valuation follows:

Summary of Actuarial Assumptions:

- Valuation Date: September 30, 2023
- Actuarial Cost Method: Entry Age, Normal
- Wage inflation rate: 2.75%
- Investment Rate of Return: 6.00% net of investment expenses
- Projected Salary Increases: 2.75 – 11.55%, including wage inflation of 2.75%
- Healthcare Cost Trend Rate: Pre-65: 7.25% Year 1 graded to 3.5% Year 15; 3.0% Year 120 Post-65: 6.50% Year 1 graded to 3.5% Year 15;

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

Other Assumptions:

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

Assumption changes as a result of an experience study for the period 2017 through 2022 have been adopted by the System for use in the annual pension valuations beginning with the September 30, 2023 valuation. The total OPEB asset as of September 30, 2024, is based on the results of an actuarial valuation date of September 30, 2023, and rolled forward using generally accepted actuarial procedures, including the experience study.

Recognition period for liabilities is the average of the expected remaining service lives of all employees in years is 6.2834 years.

Recognition period for assets in years is 5.0000.

School District of the City of Wyandotte
Notes to the Financial Statements
June 30, 2025

Full actuarial assumptions are available in the 2024 MPSERS Annual Comprehensive Financial Report found on the ORS website at www.michigan.gov/orsschools.

Long-Term Expected Return on Plan Assets

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation as of September 30, 2024, are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return*
Domestic Equity Pools	25.0 %	5.3%
Private Equity Pools	16.0	9.0%
International Equity	15.0	6.5%
Fixed Income Pools	13.0	2.0%
Real Estate and Infrastructure Pools	10.0	7.1%
Absolute Return Pools	9.0	5.2%
Real Return/Opportunistic Pools	10.0	6.9%
Short Term Investment Pools	2.0	1.4%
	<u>100.0%</u>	

*Long-term rates of return are net of administrative expenses and 2.3% inflation.

Rate of Return

For the plan year ended September 30, 2024, the annual money-weighted rate of return on OPEB plan investment, net of OPEB plan

investment expense, was 15.45%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate

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

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

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

1% Decrease 5.00%	Current Discount Rate 6.00%	1% Increase 7.00%
<u>\$ (13,380,780)</u>	<u>\$ (17,314,490)</u>	<u>\$ (20,715,597)</u>

School District of the City of Wyandotte
Notes to the Financial Statements
June 30, 2025

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

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

1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
\$ (20,715,634)	\$ (17,314,490)	\$ (13,666,781)

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued 2024 MPSERS Annual Comprehensive Financial Report, available on the ORS website at www.michigan.gov/orsschools.

Payables to the OPEB Plan

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

Note 13 - Contingent Liabilities

Amounts received or receivable from grantor agencies are subjected to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of costs which may be disallowed by the grantor cannot be determined at this time, although the School District expects such amounts, if any, to be immaterial. A separate report on federal compliance has been issued for the year June 30, 2025.

Note 14 - Tax Abatements

The School District receives reduced property tax revenues as a result of building and employment expansion exemptions granted by the City of Wyandotte.

For the fiscal year ended June 30, 2025, the School District’s property tax revenues were reduced by \$301,904 under these programs.

Note 15 - Change in Accounting Principle and Adoption of New Accounting Standard

The School District restated net position as a result of adopting GASB Statement No. 101, Compensated Absences. Additionally, the School District changed its fund balance for General Fund and Special Education Fund to reflect a change in its accounting policy for settlements with WCRESA within the Special Education Fund. Settlements that have not been received from WCRESA are now recorded as unavailable revenue in the Special Education Fund until received.

	June 30, 2024 As Previously Reported	Change in Accounting Principle	Adoption of New Accounting Principle	June 30, 2024 As Restated
District-Wide				
Governmental Activities	\$ (99,606,501)	\$ -	\$ (16,314,438)	\$ (115,920,939)
Governmental Funds				
Major Funds:				
General Fund	\$ 10,085,482	\$ 831,152	\$ -	\$ 10,916,634
Special Education Fund	-	(831,152)	-	(831,152)
Total Governmental Funds	\$ 10,085,482	\$ -	\$ -	\$ 10,085,482

REQUIRED SUPPLEMENTARY INFORMATION

School District of the City of Wyandotte
Required Supplementary Information
Budgetary Comparison Schedule - General Fund
For the Year Ended June 30, 2025

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
Revenues				
Local sources	\$ 5,272,000	\$ 5,715,241	\$ 5,837,324	\$ 122,083
State sources	51,706,729	49,187,691	48,705,206	(482,485)
Federal sources	3,410,061	3,668,052	3,370,057	(297,995)
Interdistrict sources	4,221,144	4,960,035	5,771,449	811,414
Total revenues	64,609,934	63,531,019	63,684,036	153,017
Expenditures				
Instruction				
Basic programs	27,569,277	28,293,047	27,967,420	(325,627)
Added needs	8,066,023	8,648,056	8,502,573	(145,483)
Supporting services				
Pupil	5,173,853	5,780,480	5,834,310	53,830
Instructional staff	2,419,768	2,576,560	2,384,215	(192,345)
General administration	641,533	638,734	549,899	(88,835)
School administration	2,984,568	3,181,198	3,151,784	(29,414)
Business	1,004,651	1,056,609	1,030,894	(25,715)
Operations and maintenance	7,884,123	7,756,293	7,545,608	(210,685)
Pupil transportation services	1,651,478	1,609,500	1,591,141	(18,359)
Central	3,026,449	2,173,256	2,116,148	(57,108)
Athletic activities	1,217,291	1,269,475	1,231,484	(37,991)
Community services	789,497	799,881	827,138	27,257
Capital outlay	1,700,588	1,313,126	1,122,592	(190,534)
Debt service				
Principal	733,155	228,155	273,974	45,819
Interest and fiscal charges	123,876	202,376	226,791	24,415
Total expenditures	64,986,130	65,526,746	64,355,971	(1,170,775)
Excess (deficiency) of revenues over expenditures	(376,196)	(1,995,727)	(671,935)	1,323,792

School District of the City of Wyandotte
Required Supplementary Information
Budgetary Comparison Schedule - General Fund
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
Other Financing Sources (Uses)				
Transfers in	-	-	2,474,987	2,474,987
Transfers out	(313,332)	(152,260)	(118,314)	(33,946)
Total other financing sources (uses)	(313,332)	(152,260)	2,356,673	(2,508,933)
Net change in fund balances	(689,528)	(2,147,987)	1,684,738	3,832,725
Fund balance - beginning	10,085,482	10,085,482	10,085,482	-
Change within financial reporting entity (change in accounting principle)	-	-	831,152	831,152
Fund balance (deficit) - beginning, as adjusted	10,085,482	10,085,482	10,916,634	831,152
Fund balance (deficit) - ending	<u>\$ 9,395,954</u>	<u>\$ 7,937,495</u>	<u>\$ 12,601,372</u>	<u>\$ 4,663,877</u>

School District of the City of Wyandotte
Required Supplementary Information
Budgetary Comparison Schedule - Special Education Fund
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>			Over (Under) Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Local sources	\$ 177,375	\$ 177,375	\$ 177,375	\$ -
State sources	15,016,557	16,140,968	16,420,715	279,747
Interdistrict sources	<u>13,285,518</u>	<u>14,808,782</u>	<u>14,330,102</u>	<u>(478,680)</u>
Total revenues	<u>28,479,450</u>	<u>31,127,125</u>	<u>30,928,192</u>	<u>(198,933)</u>
Expenditures				
Instruction				
Added needs	10,968,875	10,334,489	10,708,641	374,152
Supporting services				
Pupil	14,372,340	16,022,154	16,251,755	229,601
Instructional staff	343,750	344,356	365,918	21,562
General administration	1,000	2,000	-	(2,000)
School administration	1,557,978	1,527,658	1,589,194	61,536
Operations and maintenance	852,710	1,001,757	924,767	(76,990)
Pupil transportation services	195,354	151,265	147,234	(4,031)
Central	10,068	16,403	3,450	(12,953)
Community Services	<u>-</u>	<u>15,000</u>	<u>6,875</u>	<u>(8,125)</u>
Total expenditures	<u>28,302,075</u>	<u>29,415,082</u>	<u>29,997,834</u>	<u>582,752</u>
Excess (deficiency) of revenues over expenditures	<u>177,375</u>	<u>1,712,043</u>	<u>930,358</u>	<u>(781,685)</u>

School District of the City of Wyandotte
Required Supplementary Information
Budgetary Comparison Schedule - Special Education Fund
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
Other Financing Sources (Uses)				
Transfers in	-	-	15,000	15,000
Transfers out	(177,375)	(1,712,043)	(2,652,362)	940,319
Total other financing sources (uses)	(177,375)	(1,712,043)	(2,637,362)	(925,319)
Net change in fund balances	-	-	(1,707,004)	(1,707,004)
Change within financial reporting entity (change in accounting principle)	-	-	(831,152)	(831,152)
Fund balances - beginning, as adjusted	-	-	(831,152)	(831,152)
Fund balance - ending	\$ -	\$ -	\$ (2,538,156)	\$ (2,538,156)

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

	June 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
A. School District's proportion of net pension liability (%)	0.4043%	0.4108%	0.4146%	0.4036%	0.4047%	0.4007%	0.3954%	0.3862%	0.3765%	0.3785%
B. School District's proportionate share of net pension liability	\$ 98,983,918	\$ 132,968,254	\$ 155,931,670	\$ 95,564,813	\$ 139,026,282	\$ 132,699,815	\$ 118,863,617	\$ 100,074,318	\$ 93,930,828	\$ 92,441,069
C. School District's covered payroll	\$ 42,579,424	\$ 40,288,916	\$ 40,844,314	\$ 36,203,352	\$ 36,091,963	\$ 34,963,075	\$ 34,122,697	\$ 32,675,622	\$ 31,644,105	\$ 31,495,551
D. School District's proportionate share of net pension liability as a percentage of its covered payroll	232.47%	330.04%	381.77%	263.97%	385.20%	379.54%	348.34%	306.27%	296.84%	293.51%
E. Plan fiduciary net position as a percentage of total pension liability	74.44%	65.91%	60.77%	72.60%	59.72%	60.31%	62.36%	64.21%	63.27%	63.17%

Note Disclosures

Changes of benefit terms: There were no changes of benefit terms in plan fiscal year 2024.

Changes of benefit assumptions: There were no changes of benefit assumptions in plan fiscal year 2024.

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

	For the Years Ended June 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
A. Statutorily required contributions	\$ 16,991,070	\$ 16,611,427	\$ 14,944,295	\$ 13,800,635	\$ 11,928,062	\$ 10,918,225	\$ 10,623,188	\$ 9,965,958	\$ 6,151,810	\$ 6,069,988
B. Contributions in relation to statutorily required contributions	<u>16,991,070</u>	<u>16,611,427</u>	<u>14,944,295</u>	<u>13,800,635</u>	<u>11,928,062</u>	<u>10,918,225</u>	<u>10,623,188</u>	<u>9,965,958</u>	<u>6,151,810</u>	<u>6,069,988</u>
C. Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
D. School Districts's covered payroll	\$ 45,821,734	\$ 42,042,654	\$ 39,976,969	\$ 38,488,676	\$ 35,003,613	\$ 36,253,984	\$ 34,639,517	\$ 33,946,980	\$ 32,620,710	\$ 31,416,733
E. Contributions as a percentage of covered payroll	37.08%	39.51%	37.38%	35.86%	34.08%	30.12%	30.67%	29.36%	18.86%	19.32%

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

	June 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
A. School District's proportion of the net OPEB liability (asset) (%)	0.4023%	0.4031%	0.4203%	0.4004%	0.4070%	0.4000%	0.4009%	38.4700%		
B. School District's proportionate share of the net OPEB liability (asset)	\$(17,314,490)	\$ (2,280,446)	\$ 8,903,199	\$ 6,112,131	\$ 21,806,447	\$ 28,709,049	\$ 31,866,071	\$ 34,067,387		
C. School District's covered payroll	\$ 42,579,424	\$ 40,288,916	\$ 40,844,314	\$ 36,203,352	\$ 36,091,963	\$ 34,963,075	\$ 34,122,697	\$ 32,675,622		
D. School District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	-40.66%	-5.66%	21.80%	16.88%	60.42%	82.11%	93.39%	104.26%		
E. Plan fiduciary net position as a percentage of total OPEB liability (asset)	143.08%	105.04%	83.09%	87.33%	59.44%	48.46%	42.95%	36.39%		

Note Disclosures

Changes of benefit terms: There were no changes of benefit terms in plan fiscal year 2024.

Changes of benefit assumptions: There were no changes of benefit assumptions in plan fiscal year 2024.

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

	For the Years Ended June 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
A. Statutorily required contributions	\$ 908,013	\$ 3,277,508	\$ 3,195,583	\$ 3,098,047	\$ 2,882,592	\$ 2,795,208	\$ 2,731,824	\$ 2,502,965		
B. Contributions in relation to statutorily required contributions	<u>908,013</u>	<u>3,277,508</u>	<u>3,195,583</u>	<u>3,098,047</u>	<u>2,882,592</u>	<u>2,795,208</u>	<u>2,731,824</u>	<u>2,502,965</u>		
C. Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		
D. School Districts's covered payroll	\$ 45,821,734	\$ 42,042,654	\$ 39,976,969	\$ 38,488,676	\$ 35,003,613	\$ 36,253,984	\$ 34,639,517	\$ 33,946,980		
E. Contributions as a percentage of covered payroll	1.98%	7.80%	7.99%	8.05%	8.24%	7.71%	7.89%	7.37%		

OTHER SUPPLEMENTARY INFORMATION

School District of the City of Wyandotte
Other Supplementary Information
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2025

	Special Revenue Funds		Capital Projects Funds		Total Nonmajor Governmental Funds
	Cafeteria Fund	Student and School Activity Fund	Building and Site Fund	Sinking Fund	
Assets					
Cash	\$ -	\$ 873,864	\$ -	\$ -	\$ 873,864
Accounts receivable	461	-	-	-	461
Due from other funds	728,680	-	2,680,097	535,215	3,943,992
Due from other governmental units	4,243	-	-	-	4,243
Inventory	20,224	-	-	-	20,224
Investments	-	-	11	-	11
	<u>-</u>	<u>-</u>	<u>11</u>	<u>-</u>	<u>11</u>
Total assets	<u>\$ 753,608</u>	<u>\$ 873,864</u>	<u>\$ 2,680,108</u>	<u>\$ 535,215</u>	<u>\$ 4,842,795</u>
Liabilities					
Accounts payable	\$ 2,914	\$ -	\$ 91,960	\$ 88,882	\$ 183,756
Accrued salaries payable	10,205	-	-	-	10,205
Unearned revenue	22,049	-	-	-	22,049
	<u>35,168</u>	<u>-</u>	<u>91,960</u>	<u>88,882</u>	<u>216,010</u>
Total liabilities	<u>35,168</u>	<u>-</u>	<u>91,960</u>	<u>88,882</u>	<u>216,010</u>
Fund Balances					
Non-spendable					
Inventory	20,224	-	-	-	20,224
Restricted for					
Food service	698,216	-	-	-	698,216
Capital projects	-	-	-	446,333	446,333
Committed					
Student and school activities	-	873,864	-	-	873,864
Capital projects	-	-	2,588,148	-	2,588,148
	<u>718,440</u>	<u>873,864</u>	<u>2,588,148</u>	<u>446,333</u>	<u>4,626,785</u>
Total fund balances	<u>718,440</u>	<u>873,864</u>	<u>2,588,148</u>	<u>446,333</u>	<u>4,626,785</u>
Total liabilities and fund balances	<u>\$ 753,608</u>	<u>\$ 873,864</u>	<u>\$ 2,680,108</u>	<u>\$ 535,215</u>	<u>\$ 4,842,795</u>

School District of the City of Wyandotte
Other Supplementary Information
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2025

	Special Revenue Funds		Capital Projects Funds		Total Nonmajor Governmental Funds
	Cafeteria Fund	Student and School Activity Fund	Building and Site Fund	Sinking Fund	
Revenues					
Local sources	\$ 73,648	\$ 1,149,519	\$ -	\$ 1,157,340	\$ 2,380,507
State sources	446,917	-	-	-	446,917
Federal sources	2,501,111	-	-	-	2,501,111
Interdistrict sources	-	-	1,737,490	-	1,737,490
Total revenues	<u>3,021,676</u>	<u>1,149,519</u>	<u>1,737,490</u>	<u>1,157,340</u>	<u>7,066,025</u>
Expenditures					
Current					
Education					
Supporting services	-	1,201,507	-	-	1,201,507
Food services	2,896,322	-	-	-	2,896,322
Facilities acquisition	-	-	1,704,502	1,581,861	3,286,363
Total expenditures	<u>2,896,322</u>	<u>1,201,507</u>	<u>1,704,502</u>	<u>1,581,861</u>	<u>7,384,192</u>
Excess (deficiency) of revenues over expenditures	<u>125,354</u>	<u>(51,988)</u>	<u>32,988</u>	<u>(424,521)</u>	<u>(318,167)</u>
Other Financing Sources (Uses)					
Transfers in	-	-	177,375	-	177,375
Transfers out	-	-	(15,000)	-	(15,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>162,375</u>	<u>-</u>	<u>162,375</u>
Net change in fund balances	125,354	(51,988)	195,363	(424,521)	(155,792)
Fund balances - beginning	<u>593,086</u>	<u>925,852</u>	<u>2,392,785</u>	<u>870,854</u>	<u>4,782,577</u>
Fund balances - ending	<u>\$ 718,440</u>	<u>\$ 873,864</u>	<u>\$ 2,588,148</u>	<u>\$ 446,333</u>	<u>\$ 4,626,785</u>

School District of the City of Wyandotte
Other Supplementary Information
General Fund
Comparative Balance Sheet
June 30, 2025

	2025	(As Restated) 2024
Assets		
Cash	\$ 8,726,474	\$ 7,184,984
Taxes receivable	84,596	64,816
Accounts receivable	57,447	-
Leases receivable	240,048	243,674
Due from other funds	1,378,336	-
Due from other governmental units	12,873,768	15,399,040
Inventory	12,263	21,989
Prepaid items	1,213,459	4,892
Total assets	\$ 24,586,391	\$ 22,919,395
Liabilities		
Accounts payable	\$ 508,853	\$ 385,147
State aid anticipation note payable	714,286	432,143
Due to other funds	4,336,947	4,953,698
Due to other governmental units	1,484,064	1,447,920
Payroll deductions and withholdings	2,894	2,495
Accrued expenditures	21,870	31,172
Accrued salaries payable	3,617,590	2,979,896
Unearned revenue	921,483	1,526,616
Total liabilities	11,607,987	11,759,087

School District of the City of Wyandotte
Other Supplementary Information
General Fund
Comparative Balance Sheet
June 30, 2025

	2025	(As Restated) 2024
Deferred Inflows of Resources		
Unavailable revenue		
Grants received	136,984	-
Leases	240,048	243,674
Total deferred inflows of resources	377,032	243,674
Fund Balances		
Non-spendable		
Inventory	12,263	21,989
Prepaid items	1,213,459	4,892
Assigned		
Special education fund settlements	2,538,156	831,152
Budgeted excess expenditures over revenues	1,122,148	543,272
Unassigned	7,715,346	9,515,329
Total fund balances	12,601,372	10,916,634
Total liabilities, deferred inflows of resources, and fund balances	\$ 24,586,391	\$ 22,919,395