

**PINCKNEY COMMUNITY SCHOOLS
COUNTIES OF LIVINGSTON AND WASHTENAW, STATE OF MICHIGAN
ANNUAL CONTINUING DISCLOSURE FOR FISCAL YEAR ENDING JUNE 30, 2021**

Base CUSIP: 722205

Property Valuations – Historical Valuations

| Tax Year | Fiscal Year Ended/Ending June 30 | Principal Residence | Non-Principal Residence | Total Taxable Value | Change in Total Taxable Value | State Equalized Valuation | Change in State Equalized Valuation |
|-----------------|---|----------------------------|--------------------------------|----------------------------|--------------------------------------|----------------------------------|--|
| 2021 | 2022 | \$1,108,560,461 | \$257,261,557 | \$1,365,822,018 | 4.68% | \$1,761,592,832 | 6.24% |
| 2020 | 2021 | 1,065,791,810 | 238,996,848 | 1,304,788,658 | 4.28 | 1,658,176,040 | 7.04 |
| 2019 | 2020 | 1,013,270,975 | 238,004,691 | 1,251,275,666 | 4.52 | 1,549,162,253 | 6.42 |
| 2018 | 2019 | 972,140,890 | 224,973,593 | 1,197,114,483 | 4.43 | 1,455,721,605 | 3.02 |
| 2017 | 2018 | 937,724,759 | 208,652,511 | 1,146,377,270 | 2.96 | 1,413,098,752 | 6.39 |
| 2016 | 2017 | 899,891,467 | 213,505,832 | 1,113,397,299 | 2.06 | 1,328,169,531 | 4.26 |

SOURCE: Equalization Departments of Livingston & Washtenaw Counties

Major Taxpayers

The 2021 Taxable Valuations of the taxpayers shown below represent **4.54%** of Pinckney Community Schools' (the "School District") 2021 Total Taxable Valuation of **\$1,365,822,018**.

| Taxpayer | Product/Service | 2021 Taxable Valuation |
|------------------------------|------------------------|-------------------------------|
| Detroit Edison (DTE Energy) | Utility | \$23,364,774 |
| Rover Pipeline | Utility | 14,879,870 |
| Consumers Energy | Utility | 10,250,083 |
| Hampton Manor | Assisted Living | 3,525,115 |
| Chilson Commons | Retail | 1,973,273 |
| Tri-Bro LLC | Manufacturing | 1,733,850 |
| Lakeland Golf & Country Club | Recreational | 1,644,749 |
| Fernco, Lenco & Norco | Service | 1,638,940 |
| Pinckney Real Estate | Service | 1,516,230 |
| Spectrum Mid-America | Service | 1,514,910 |
| TOTAL | | <u>\$62,041,794</u> |

SOURCE: Equalization Department of Livingston County

NOTE: The 2021 Taxable Values have been compiled from a number of reports and only include Livingston County Taxpayers. The top taxpayers within Washtenaw County related to the School District's tax base are mainly residential and do not impact the above referenced top ten taxpayers.

School District Tax Rates

| Pinckney Community Schools (Tax Year) | 2021 | 2020 | 2019 | 2018 | 2017 |
|--|-------------|-------------|-------------|-------------|-------------|
| Voted – Operating Non-Principal Residence | 18.0000 | 18.0000 | 18.0000 | 17.9280 | 17.9280 |
| Voted Debt | 7.5500 | 7.5500 | 7.5500 | 7.5500 | 7.5500 |
| TOTAL PRINCIPAL RESIDENCE | 7.5500 | 7.5500 | 7.5500 | 7.5500 | 7.5500 |
| TOTAL NON-PRINCIPAL RESIDENCE | 25.5500 | 25.5500 | 25.5500 | 25.4780 | 25.4780 |

SOURCE: Equalization Department of Livingston and Washtenaw County

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Tax Rates Within the School District

| Other Major Taxing Units (Tax Year) | 2021 | 2020 | 2019 | 2018 | 2017 |
|--|-------------|-------------|-------------|-------------|-------------|
| State Education Tax | 6.0000 | 6.0000 | 6.0000 | 6.0000 | 6.0000 |
| Livingston County | 3.6579 | 3.6789 | 3.7125 | 3.7354 | 3.7636 |
| Village of Pinckney | 12.1723 | 12.2792 | 12.3175 | 12.3175 | 12.3897 |
| Township of Putnam | 2.9985 | 2.9877 | 2.9987 | 2.0000 | 3.0131 |
| Township of Marion | 0.7602 | 0.7686 | 0.7804 | 0.9987 | 0.7962 |
| Township of Hamburg | 6.6676 | 6.7332 | 6.7940 | 7.0749 | 6.0717 |
| Washtenaw County | 5.6417 | 6.8858 | 6.8976 | 5.9982 | 5.9902 |
| Livingston ESA | 3.2315 | 3.2042 | 3.2988 | 3.9038 | 3.3351 |

SOURCE: Equalization Department of Livingston and Washtenaw County

Tax Levies and Collections - Tax Years 2015-2020

| Tax Year | Tax Levy | Before County Reimbursement of Delinquent Taxes | | After County Reimbursement of Delinquent Taxes | |
|-----------------|-----------------|--|--------|--|--------|
| | | Collections to March 1 of Following Year | | Collections Plus Funding to June 30 of Following Year | |
| 2021 | \$4,457,986 | In Process of Collection | | In Process of Collection | |
| 2020 (1) | 4,465,746 | \$4,027,017 | 90.18% | \$4,316,292 | 96.65% |
| 2019 | 4,211,993 | 3,716,414 | 88.23 | 4,051,505 | 96.19 |
| 2018 | 3,894,335 | 3,599,890 | 92.44 | 3,891,540 | 99.93 |
| 2017 | 3,641,466 | 3,317,200 | 91.10 | 3,639,879 | 99.96 |
| 2016 | 3,637,599 | 3,340,495 | 91.83 | 3,634,393 | 99.91 |

SOURCE: School District.

(1) Levied December 1, 2020

Historical Enrollment

| School Year | Enrollment |
|--------------------|-------------------|
| 2021-2022 | 2,324 |
| 2020-2021* | 2,356 |
| 2019-2020 | 2,438 |
| 2018-2019 | 2,605 |
| 2017-2018 | 2,781 |
| 2016-2017 | 2,972 |

SOURCE: School District

*Represents the estimated FY 2020-21 traditional blended pupil count formula (90% of fall count and 10% of February count) (the "90/10 blend"), which will differ from the State Aid Financial Report. FY 2020-21, state aid membership was calculated using a super blend formula: the traditional 90/10 blend for FY 2019-20 multiplied by 75% will be added to the traditional 90/10 blend for FY 2020-21 multiplied by 25%.

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State Aid Payments from the State of Michigan

| Fiscal Year Ended June 30 | State Aid Payments* | Blended Pupil Count | Foundation Received Per Pupil | Foundation Allowance Per Pupil |
|--------------------------------------|--------------------------------|--------------------------------|--|---|
| 2021 | \$19,788,537 | 2,412 | \$6,315 | \$8,111 |
| 2020 | 19,490,495 | 2,438 | 6,420 | 8,111 |
| 2019 | 20,014,032 | 2,605 | 6,345 | 7,871 |
| 2018 | 21,246,359 | 2,781 | 6,295 | 7,631 |
| 2017 | 21,628,371 | 2,972 | 6,265 | 7,511 |

SOURCE: Michigan Department of Education; State Aid Financial Report

<https://mdoe.state.mi.us/SAMSPublic/report#/>

*Public Act 146 of 2020 ("PA 146") reduced State School Aid payments to school districts by \$175 per pupil for the State's FY 2019-20. However, PA 146 also earmarked federal funds from the Coronavirus Aid, Relief, and Economic Security Act equal to \$350 per pupil for the State's FY 2019-20 to offset the loss to State School Aid payments and provide additional funds to school districts.

Labor Force Organized Groups

| Employees | No. of Employees | Bargaining Unit | Contract Expiration |
|-----------------------------|-------------------------|--------------------------------------|----------------------------|
| Administrators – Central | 3 | Non-Affiliated | N/A |
| Administrators - Building | 8 | PCSA | 6/30/2022 |
| Teachers | 116 | Pinckney Education Association (PEA) | 6/30/2022 |
| Professional/Aides/Monitors | 35 | PSSA | 6/30/2022 |
| Maintenance/Custodial | 21 | MEA | 6/30/2022 |
| Office Personnel – Building | 15 | PESPA | 6/30/2022 |
| Office Personnel – Central | 7 | Non-Affiliated | N/A |
| Technology | 4 | Non-Affiliated | N/A |
| Other Teachers/Latchkey | 7 | Non-Affiliated | N/A |
| Lunch/Playground | 20 | Non-Affiliated | N/A |
| TOTAL | <u>236</u> | | |

SOURCE: School District

Contribution Rate to MPSERS

| Contribution Period | Standard Contribution Rate | Pension Plus Contribution Rate |
|----------------------------|---------------------------------------|---|
| 10/01/2021–09/30/2022 | 27.37–28.23% | 24.45–27.16% |
| 10/01/2020–09/30/2021 | 27.35–28.21% | 24.39–27.16% |
| 10/01/2019–09/30/2020 | 26.98–27.50% | 24.03–27.16% |
| 10/01/2018–09/30/2019 | 25.32–27.82% | 25.39–30.16% |
| 10/01/2017–09/30/2018 | 25.21–27.31% | 25.28–30.16% |

SOURCE: Office of Retirement Services, State of Michigan

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Retirement Contributions to MPSERS

| Fiscal Year Ending June 30 | Contribution to MPSERS |
|-----------------------------------|-------------------------------|
| 2021 | \$4,025,170 |
| 2020 | 4,138,972 |
| 2019 | 4,186,279 |
| 2018 | 4,801,385 |
| 2017 | 3,920,962 |

SOURCE: School District Audited Financial Statements

*The prior CDU values excluded the State Aid UAAL pass-through amounts. The table above shows gross contributions, inclusive of State Aid UAAL pass-throughs amounts.

Direct Debt

As of December 2, 2021

| Direct Debt | Dated | Interest Spread | Maturities Outstanding | Amount Outstanding |
|---|--------------|------------------------|-------------------------------|-----------------------------|
| 2010 School Building and Site Bonds, Series B (Federally Taxable - Qualified School Construction Bonds – Direct Payment) ¹ | 05/27/2010 | 6.50 – 6.60% | 05/01/2026 - 2027 | \$15,000,000 |
| 2014 Refunding Bonds (UTGO) | 06/19/2014 | 5.00% | 05/01/2021 - 2027 | 17,880,000 |
| 2016 Refunding Bonds, Series A (UTGO) | 05/17/2016 | 4.00 – 5.00% | 05/01/2028 - 2035 | 30,085,000 |
| 2016 Refunding Bonds, Series B (Federally Taxable) (UTGO) | 05/17/2016 | 2.192 – 2.725% | 05/01/2021 - 2023 | 9,285,000 |
| 2020 School Building and Site Bonds, Series I (UTGO) | 11/17/2020 | 4.00 – 5.00% | 05/01/2024 - 2035 | 44,290,000 |
| 2020 Refunding Bonds (Federally Taxable) (UTGO) | 11/17/2020 | 1.038 – 2.091% | 05/01/2025 - 2030 | 7,900,000 |
| | | | | <u>\$124,440,000</u> |

SOURCE: School District

¹The 2010 School Building and Site Bonds, Series B have mandatory sinking fund deposits beginning on the fifth business day preceding May 1, 2021 annually through the fifth business day preceding May 1, 2026.

NOTE: The School District annually issues state aid notes and currently has State Aid Revenue Notes outstanding, which were sold to the Michigan Finance Authority. The 2021 Series A Note has a par amount of \$2,644,000 with monthly equal payments from March 2022 through July 2022. The 2021 Series B Note has a par amount of \$2,644,000 with a single payment due on August 22, 2022.

School Loan Revolving Fund Program

As of December 2, 2021 the School District had an outstanding School Loan Revolving Fund loan balance of \$4,831,282.88.

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| | FY 2022 Approved Budget ⁽¹⁾ |
|---|---|
| Beginning Fund Balance ⁽²⁾ | \$657,176 |
| GENERAL FUND REVENUE | |
| Local Revenues | \$5,698,567 |
| Intermediate Sources | 0 |
| State Sources | 17,067,908 |
| Federal Sources | 1,129,564 |
| County, Interdistrict and Other Financing Sources | <u>2,228,263</u> |
| Total General Fund Revenue | \$26,124,302 |
| GENERAL FUND EXPENDITURES | |
| Instruction: | |
| Basic Programs | \$11,682,404 |
| Added Needs | 3,879,388 |
| Support Services: | |
| Pupil Support | 1,027,363 |
| Instructional Staff Support | 648,134 |
| General Administration | 376,990 |
| School Administration | 1,624,947 |
| Business Administration | 654,808 |
| Operations and Maintenance | 2,911,694 |
| Transportation | 1,105,762 |
| Central Administration | 794,123 |
| Athletics | 426,674 |
| Community Services | 755,540 |
| Debt Service | 204,240 |
| Capital Outlay | 0 |
| Other Financing Uses | <u>275,491</u> |
| Total Expenditures | \$26,367,558 |
| Revenues Over (Under Expenditures) | (\$243,256) |
| Total Fund Balance, Ending | \$413,920 |

(1) The FY 2022 budget was adopted in June 2021.

(2) Adjusted based on FY 2021 audited financial statements.

Note: More detailed budget information is available on Pinckney Community Schools' website. <https://www.pinckneypirates.org/>.