Dr. Kelly Coffin
Superintendent

Terri A. Weems
President
Donald Walker, Jr.
Vice President
Mable S. Fox
Secretary
Claudia T. Heinrich
Treasurer
Cheryl B. Blau
Trustee
Angie F. Smith
Trustee
David N. Turner
Trustee

REGULAR MEETING
OF THE BOARD OF EDUCATION
Maxfield Education Center
32789 W. Ten Mile Rd.
Farmington, MI 48336
Tuesday, November 19, 2024
6:00 PM

AGENDA

I. **CALL TO ORDER**
   A. Roll Call
   B. Pledge of Allegiance
II. **RECOGNITIONS**
   A. Fall 2024 High School Athletics
III. **RECESS**
IV. **ITEMS FROM THE PRESIDENT**
   A. Approval of the Agenda
   B. Announcements
   C. World Kindness Day Proclamation
V. **PUBLIC COMMENTS**
VI. **ITEMS FROM THE SECRETARY**
   A. Correspondence
VII. **LEGISLATIVE UPDATE**
VIII. **DISTRICT UPDATES**
   A. Superintendent's District Update
   B. 2020 Bond Technology Update
IX. **REPORTS FROM BOARD COMMITTEES**
   A. Superintendent Succession Planning Committee
   B. Finance/Facilities Committee
X. **DISCUSSION ITEMS**
   A. Bid Pack #15 - Transportation
   B. AP Physics New Textbook Adoption
   C. Economics New Textbook Adoption
   D. Superintendent Search - Next Steps
XI. **PUBLIC COMMENTS**
XII. **ACTION ITEMS**

A. Approval of Annual Audit Report
B. October 22, 2024 Closed Session Minutes
C. Superintendent Search - Next Steps

XIII. **ITEMS FROM THE TREASURER**

A. Expenditures

XIV. **CONSENT AGENDA**

A. Approval of Minutes
1. October 22, 2024 - Special Meeting/Closed Session
2. October 22, 2024 - Regular Meeting
3. November 10, 2024 - Superintendent Evaluation/Succession Planning Committee
4. November 14, 2024 - Finance/Facilities Committee
5. November 16, 2024 - Board Retreat

B. Personnel Items

XV. **REPORTS FROM BOARD REPRESENTATIVES**

XVI. **ADJOURNMENT**

***PUBLIC COMMENTS** are intended to provide individuals an opportunity to address the Board of Education. In the interest of fairness, the Board requests each speaker to limit his or her comments to three (3) minutes.*

***ANY PERSON** with a disability who needs accommodation for participation in this meeting should contact the Superintendent's office at 248-489-3338 at least three (3) business days in advance of the meeting to request assistance.*

***ALL MEETINGS**, with the exception of closed sessions, are open to the public. Regular Board of Education meetings and most pre-meetings of the Board of Education are live-streamed on the District's YouTube Channel.*

The official minutes of the Board of Education are stored and available for inspection in the Lewis Schulman Administration Building of the Farmington Public School District.

II. RECOGNITIONS

A. RECOGNITION: FALL 2024 HIGH SCHOOL ATHLETICS

Presenter: Allyson Robinson, Director, School Safety and Athletics

Farmington PUBLIC SCHOOLS

High School Athletic Recognition

Fall 2024

Farmington HS Boys Cross Country

OAA All-League:

- Ben Peura
- Devin Lau

All-Oakland County:

- Ben Peura

MSHAA State Finalist:

- Ben Peura

Farmington HS Girls Cross Country

Team:

- Academic All-State
- MHSAA State Finalis

Academic All-State:

- Katelyn Parrish

OAA All-League:

- Catherine Steele
- Molly Baracco
- Kierra Magner
- Katelyn Parrish

Farmington Girls HS Cross Country

MHSAA All-Region:

- Catherine Steele
- Molly Baracco

MHSAA State Finalist:

- Catherine Steele
- Molly Baracco
- Katelyn Parrish
- Kierra Magner
- Abby Spencer
- Viktoria MacDougall
- Alex Iacoban

Farmington HS Football

OAA All-Blue League:

- Trenton Darden
- Herschel McCormack-Reamer
- Mark White
- Jon Howell
- Brady Petrusha
- Myles Smith
- Daniel Vukaj

All Region:

- Jon Howell

Academic All-State:

- Brady Petrusha

Farmington HS Boys Soccer

Team: Academic All-State

Academic All-State:

- Jivaraj Alagsunduram
- Tyler Exline
- Ben Hanson
- Savio Joseph
- Luke Morden
- Nadim Nabulsi
- Robert Poisson
- Alex PIrog
- Lucas Ryder
- Braeden Shea
- Ranvir Singh

Farmington HS Girls' Swim and Dive

OAA All-League:

- Annika Cho
- Sydney Visser
- Eleanor Somerton

OAA White Senior:

- Annika Cho

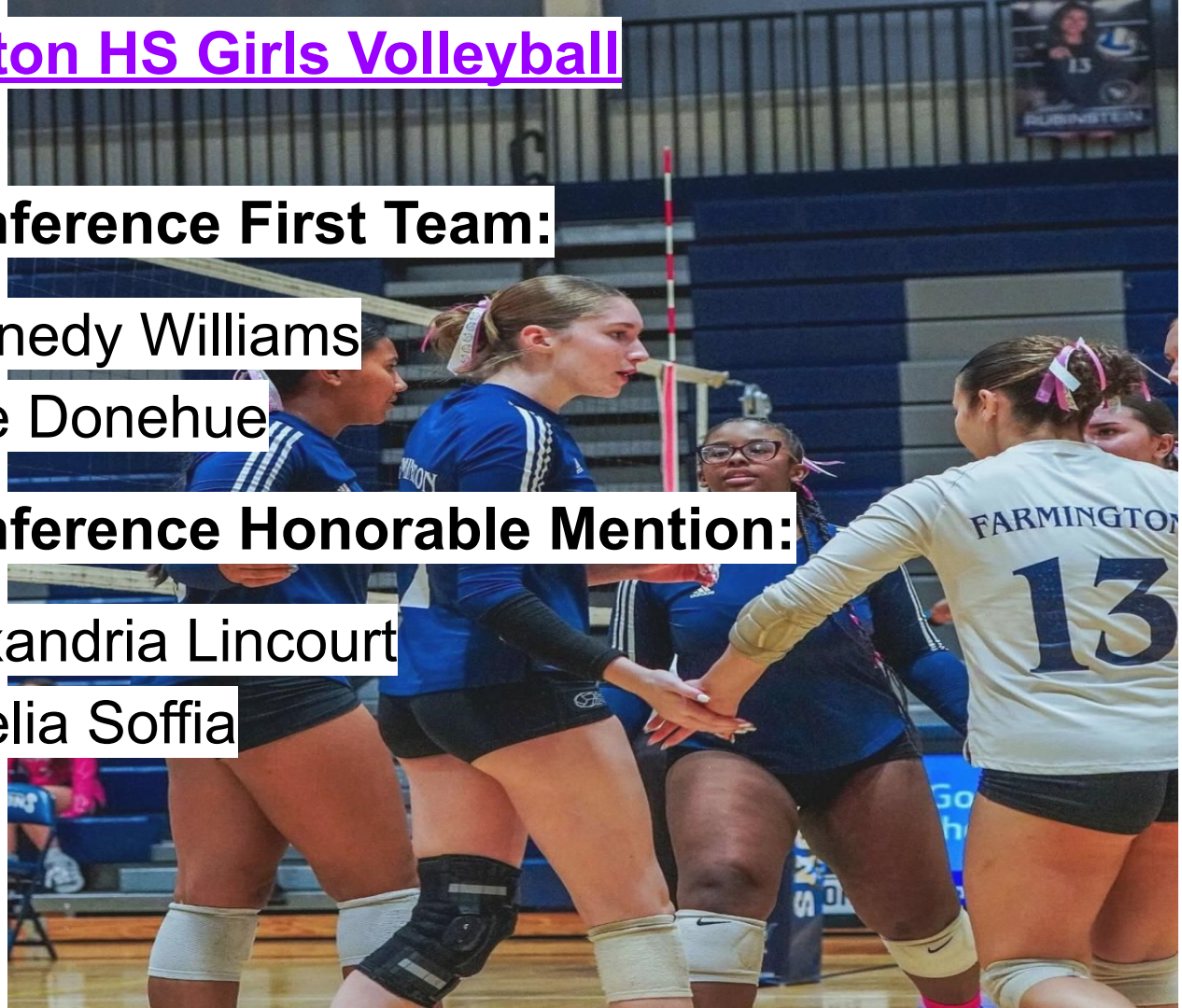
Farmington HS Boys Tennis

Team: Academic All-State

Individual Academic All-State:

- Mahaksh Jinna
- Askhay Kumar
- Shane Maurer
- Sajan Pinnamaraju

Farmington HS Girls Volleyball



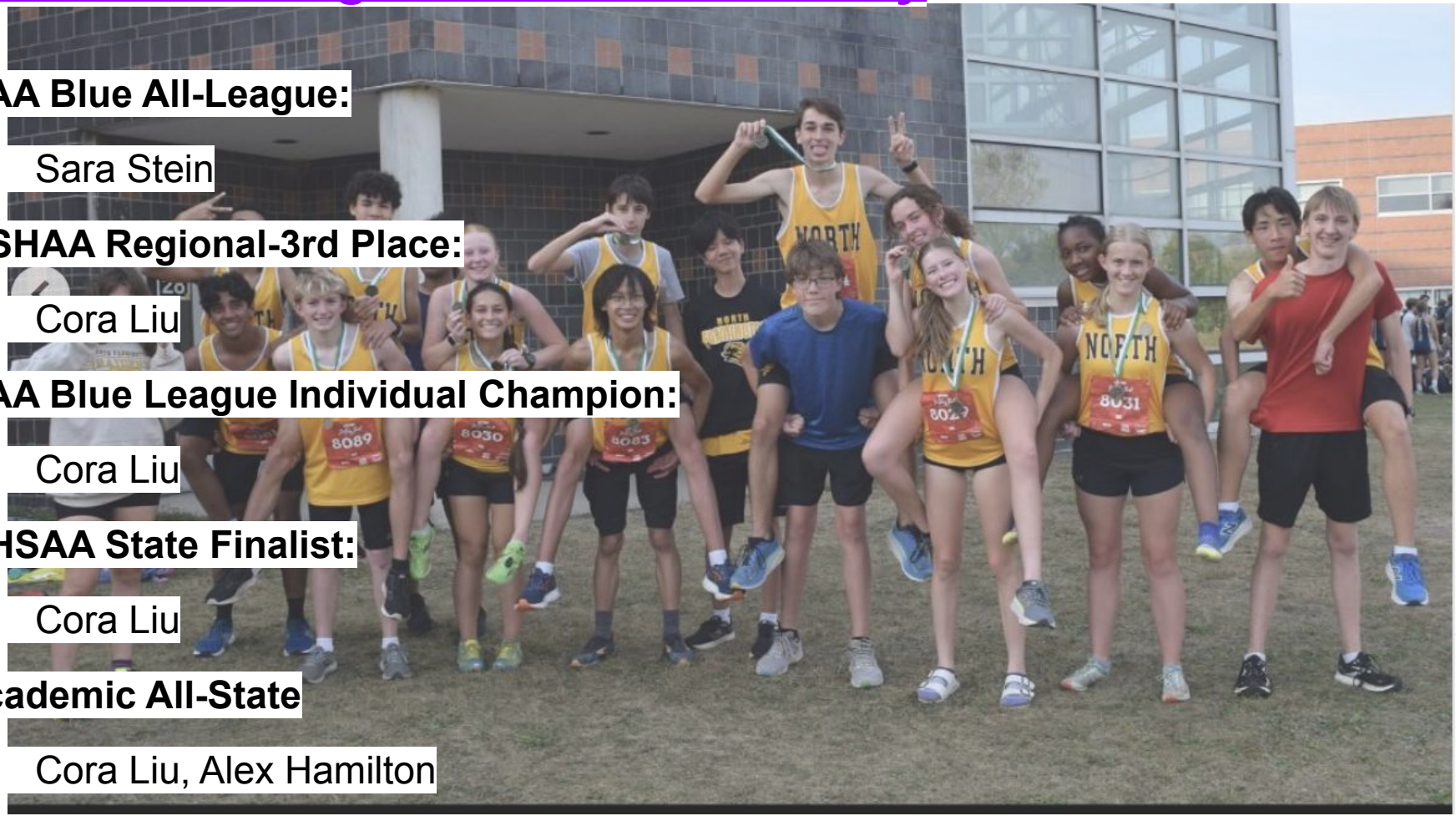
All-Conference First Team:

- Kennedy Williams
- Kate Donehue

All-Conference Honorable Mention:

- Alexandria Lincourt
- Amelia Soffia

North Farmington HS Cross Country



OAA Blue All-League:

- Sara Stein

MSHAA Regional-3rd Place:

- Cora Liu

OAA Blue League Individual Champion:

- Cora Liu

MHSAA State Finalist:

- Cora Liu

Academic All-State

- Cora Liu, Alex Hamilton

North Farmington HS Football

Team: OAA Blue League Champions

OAA Blue All-League:

- Duke Blanch
- Terrance James
- Christian Scott
- Dominic Washington
- Brendon Rice
- Micah Redic
- AJ Wilson
- Leland Pettiway
- Lorence Woodley

North Farmington HS Football

MHSFCA All Region

- AJ Wilson
- Dominic Washington
- Duke Blanch
- Brendon Rice

OAA Blue Coach of the Year:

- Jon Herstein

North Farmington HS Boys Soccer

Team: Academic All-State

Academic All-State:

- Auden Wiklund
- Kareem Istanbouli
- Jonah Cimmino
- Sullivan Totin
- Luke Pelloski
- Deva Selva
- Nolan Edelmann
- Jason Sepe
- Filip Cazacu
- Cloud James
- Ale Pereira
- Drim Memaj

North Farmington HS Boys Soccer

All-District:

- Garrett Churill
- Deva Selva
- Jalen Gilmore

All-State Honorable Mention:

- Damon Richmond

North Farmington HS Girls Swim and Dive

Academic All-State:

- Lillian Hodges
- Ellie Saum

Academic All-American:

- Lillian Hodges
- Ellie Saum

North Farmington HS Boys Tennis

Team: Academic All-State

Team: Regional Champions

Academic All-State:

- Avi Meltzer
- Hamdaan Fysudeen
- Jack Weingarden
- Alex Ashare
- Advay Das
- Aiden Binder
- Keval Shah
- Nick Thayer
- Advaith Vijayan

North Farmington HS Boys Tennis

OAA All-League:

- Jack Weingarden
- Seth Cohen
- Alex Ashare
- Avi Meltzer
- Hamdaan Fysuden

Division 2 State Quarterfinalist:

- Tommy Buckhave

Division 2 State Champion:

- Jack Weingarden

North Farmington HS Girls Volleyball

All-Conference First Team:

- Ava Trevino
- Skyler Wayne
- Elizabeth Grajewski
- Sydney Bodnar

All-Conference Honorable Mention:

- Whalen Kennedy
- Chelsea Durfield

PROCLAMATION
World Kindness Day
November 13, 2024

WHEREAS, the vision of Farmington Public Schools is to provide each and every learner with equitable experiences to explore and develop their passions and interests in order to prepare for their future. As part of that vision, Farmington Public Schools has created its Profile of a Lifelong Learner, which includes making sure that learners are compassionate community members who welcome the unique contribution of each individual, value the strength and power of community, and participate to create a positive and authentic impact in the community—personal, local, and global.

WHEREAS, education systems and organizations have a unique opportunity to instill kindness from a young age.

WHEREAS, Farmington Public Schools recognizes November as the starting point for ongoing, year-round efforts that emphasize compassion and understanding as key societal values.

WHEREAS, we aim to ensure that kindness becomes more than just an occasional gesture, but envisioned as a fundamental aspect of human interaction that is celebrated and practiced universally, strengthening societal bonds and enhancing mutual respect among diverse populations.

WHEREAS, the Board of Education encourages hosting projects that focus on kindness, compassion, and empathy. These initiatives are crucial for helping children understand the value of kindness and the positive impact it can have on their lives.

NOW, THEREFORE, we, the Farmington Board of Education hereby proclaim **November 13, 2024**, to be "**World Kindness Day**" and urge all members of the community to share acts of kindness, caring and compassion in the community, not just on November 13, but every day of the year.

Date: _____

_____

Mable S. Fox
Farmington Board of Education
Board Secretary

VI. ITEMS FROM THE SECRETARY

The Board has received communications regarding:

- Abortion
- The “Equipped To Thrive” System
- The Early Childhood Learning and Knowledge Center (ECLKC) Is Moving to HeadStart.gov in Early 2025!
- November 15th
- Updated Head Start Program Performance Standards Implementation
- Wrongful Termination
- Asynchronous Days

The Board acknowledges communications and responds when appropriate. A list of correspondent(s) can be found in the Board packet, accessible on the Farmington Public Schools’ website.

VI. ITEMS FROM THE SECRETARY

A. Correspondence

10.19.24	B. Lubaway	School can refer your children for abortion
10.21.24	S. Chan	Welcome the "Equipped To Thrive" System, a Healthcentric, Student-First K-12 Education Initiative
10.22.24	Office of Head Start	ECLKC Is Moving to HeadStart.gov in Early 2025!
10.22.24	A. Pleasant	Comment for today's meeting
10.22.24	J. Earnest	Discussing Abortion Care in Schools
10.30.24	S. Chan	Get Ready! Get Set! Get Equipped to Thrive
11.04.24	S. Chan	In 5 Days....Join us for The Equipped To Thrive Fireside Chat!
11.04.24	B. Nofzinger	November 15th
11.06.24	C. Meussner	RESPONSE November 15th
11.07.24	Office of Head Start	Updated Head Start Program Performance Standards Implementation
11.14.24	H. Griffin	Wrongful Termination of Qudsia Khan
11.14.24	S. Noll	Asynchronous Days

VIII. DISTRICT UPDATES

A. Superintendent's District Update

Presenter: Kelly Coffin, Superintendent

B. 2020 Bond Technology Update

Presenter: Amy Sasina, Plante Moran

plante moran | Audit. Tax. Consulting. Wealth Management.

Farmington Public Schools

2020 IT Bond Update

Completed projects

Project	Timeline
Instructional technology	
Classroom AV	2022 (elementary, FSA), 2023 (secondary)
Student devices	2021/2022
Safety & instructional support	
Video surveillance - Elementary	2023
Conference room AV	2022 (elementary, FSA), 2023 (secondary)
Copiers	2022/2023
Support staff devices Counseling, secretaries, Administration, MEC, Transportation, Maintenance	2024
Docking stations/monitors FASA – Principals, Directors	2024
Infrastructure	
Wireless network upgrades	2023

Projects in process

Project	Timeline
Instructional technology	
Large area AV	Complete by end of calendar year 2024

Planned Projects: Instructional technology

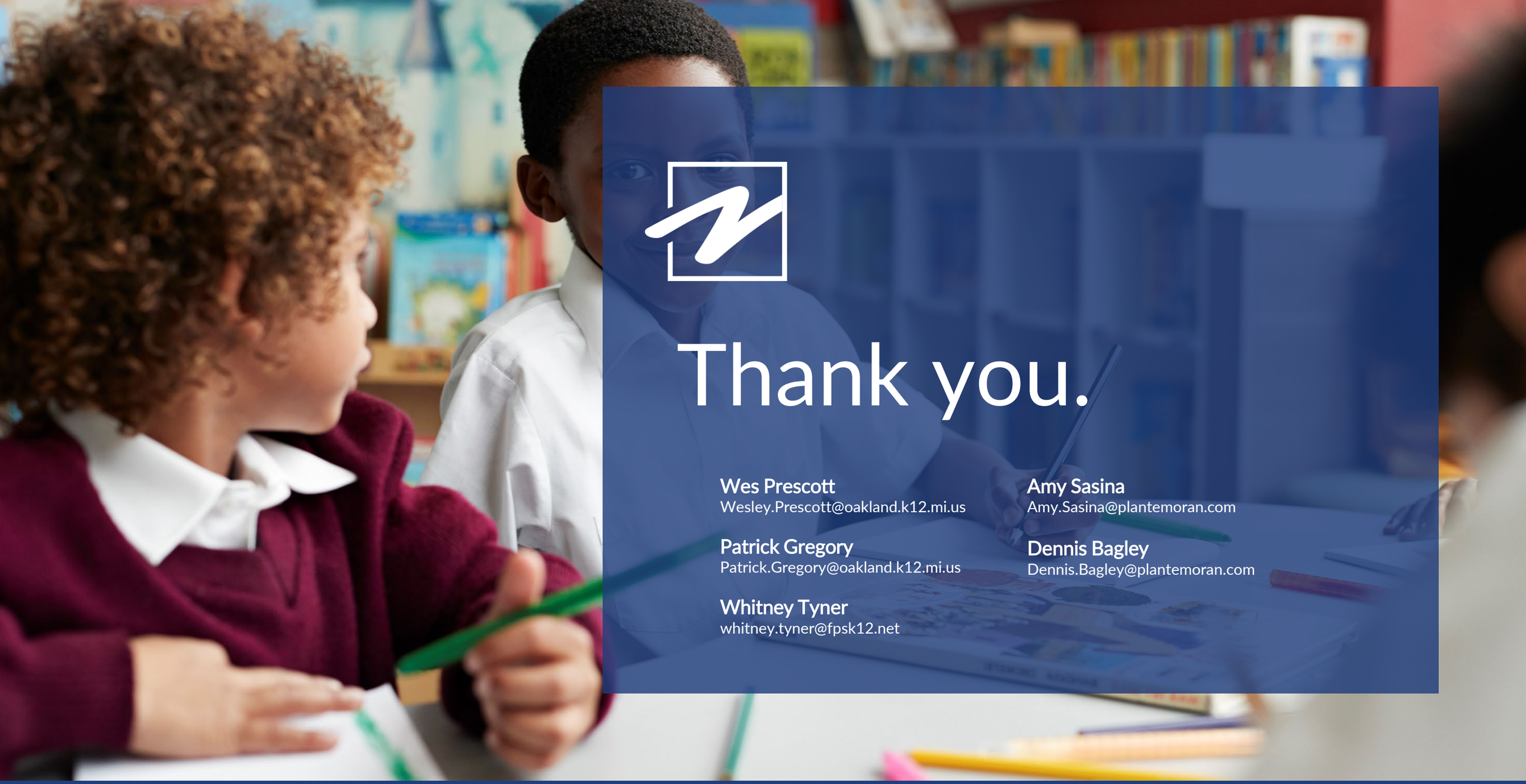
Project	Timeline	Status
Teacher devices, docs, monitors FEA	2025 (5-year refresh cycle)	Planned for spring/summer 2025
Student devices	2026/2027 (5-year refresh cycle)	Planned
Secondary lab devices	Ongoing (5-year refresh cycle)	Ongoing – different labs each year
Curriculum specific projects	Annual allocation	Ongoing
Classroom Audio	TBD	Planned *(tentative based on condition of current equipment)*

Planned Projects: Safety & instructional support

Project	Timeline	Status
Staff devices FASA – Principals & Directors	2026 (5-year refresh cycle)	Planned
Video surveillance (secondary refresh)	TBD	Planned *(tentative based on condition of current equipment)*

Planned Projects: Infrastructure

Project	Timeline	Status
Network upgrades (firewall & UPS)	2025	Planning stages, will award in Q1 2025
Structured cabling & fiber	2025-2026	RFP being finalized, will award in Q1 2025
Network refresh	2026	Planned
Phone system (upgrade handsets)	2026	Planned



Thank you.

Wes Prescott
Wesley.Prescott@oakland.k12.mi.us

Patrick Gregory
Patrick.Gregory@oakland.k12.mi.us

Whitney Tyner
whitney.tyner@fpsk12.net

Amy Sasina
Amy.Sasina@plantemoran.com

Dennis Bagley
Dennis.Bagley@plantemoran.com

Cobalt Community Research

Supporting Decisions | Inspiring Ideas

Community Engagement on Superintendent Search

November 2024 - DRAFT

Farmington PUBLIC SCHOOLS

2024054

© 2024 CobaltCommunityResearch

Background on Cobalt Community Research

- 501c3 not-for-profit research coalition
- Mission to provide research and education
- Developed to meet the research needs of schools, local governments and nonprofit organizations

Bottom Line

- The majority of respondents prefer a candidate who is an assistant superintendent, superintendent from another district, or a teacher.
- Most important areas of expertise are curriculum development and evaluation, and budget development/management.
- Almost half would like to see a collaborative leadership style, with secondary styles of transformational leadership and situational leadership.
- Most important skills are the ability to develop and direct an effective management team and being exceedingly responsive.
- Most important characteristics are being honest and ethical, being a problem solver, and a strong communicator.
- Respondents would like a candidate who will continue the good work of the current administration, but who can make some necessary changes.

Preserving Voice: Looking Into Detail

Rating Questions

2024 Farmington School Supt

Count: 574 +/-4.0%

		Areas of Expertise						
		Human resource management	Public relations	Facilities management	Contract/labor negotiations	Budget development/management	Curriculum development and evaluation	Contract administration
2024 Overall		**4.5**	**4.6**	**4.2**	**4.6**	**5.0**	**5.3**	**4.3**
Residency	Less than 5 years	4.7	4.7	4.4	4.5	4.9	5.5	4.5
	5 to 10 years	4.4	4.4	4.3	4.7	5.0	5.3	4.3
	Over 10 years	4.5	4.6	4.1	4.4	5.0	5.2	4.2
	Do not live within the school district	4.5	5.0	4.2	4.9	5.0	4.9	4.2
	Would rather not say*	5.0	5.0	4.8	4.7	5.3	5.7	5.2
Stakeholder	Parent or guardian of current student	4.5	4.5	4.2	4.5	5.0	5.3	4.3
	Parent or guardian of graduated student	4.7	4.8	4.3	4.6	5.1	5.4	4.3
	Staff/faculty of FPS	4.6	5.0	4.1	4.9	5.0	5.0	4.4
	Resident - no children/children graduated from district*	4.9	5.2	4.1	4.8	5.1	4.3	4.2
Sample	Yes	4.5	4.6	4.2	4.6	5.0	5.3	4.3
	No	4.5	4.7	4.0	4.8	5.1	5.2	4.3

**Cohort has lower response level which may increase score variation*

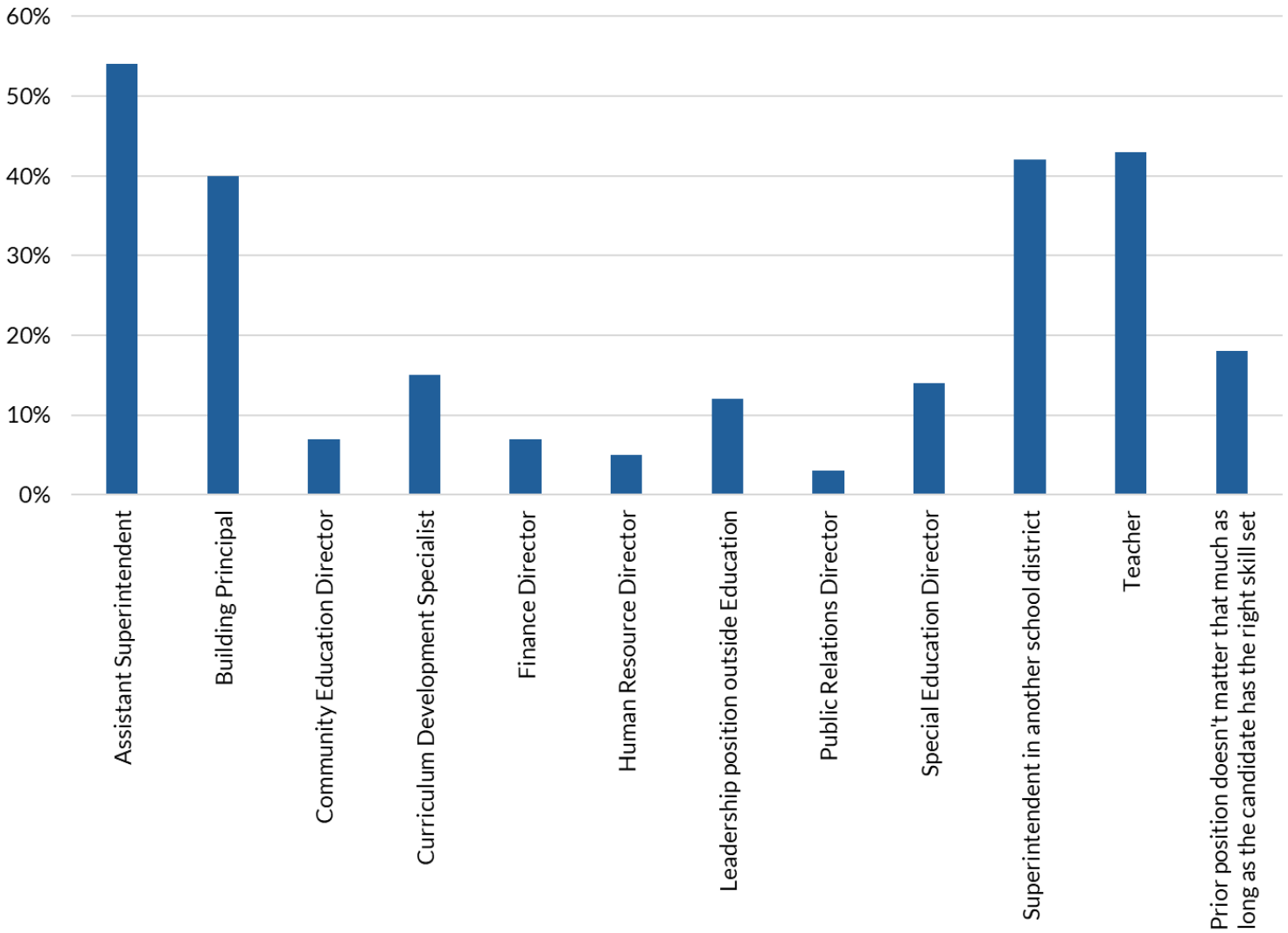
Consistent Scores Regardless of Demographics

Methodology

- Survey sent by email (2 waves) to 12,083 parents, staff, and others on the District email list, and survey.
  - Valid response from 574 individuals
  - Margin of error of +/- 4.0 percent (95% confidence)
  - In addition, there were 140 additional responses who did not include a survey ID number
  - Total feedback was from 714 individuals
- Data collected in October 2024
- Unique ID number used for each survey to ensure validity

Note: National surveys with a margin of error +/- 5% require a sample of 384 responses to reflect a population of 330,000,000

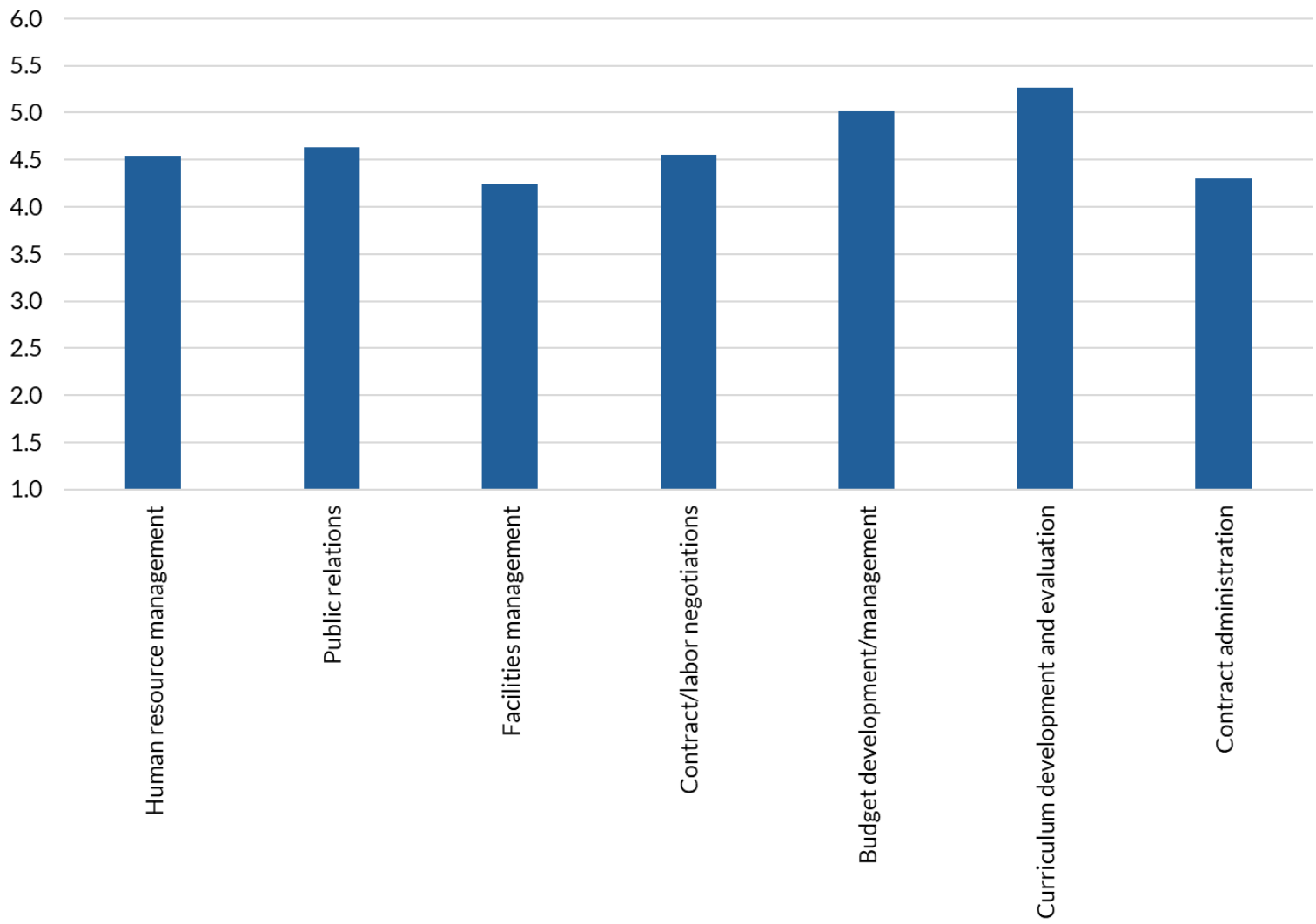
Question 1: Most Valuable Prior Positions



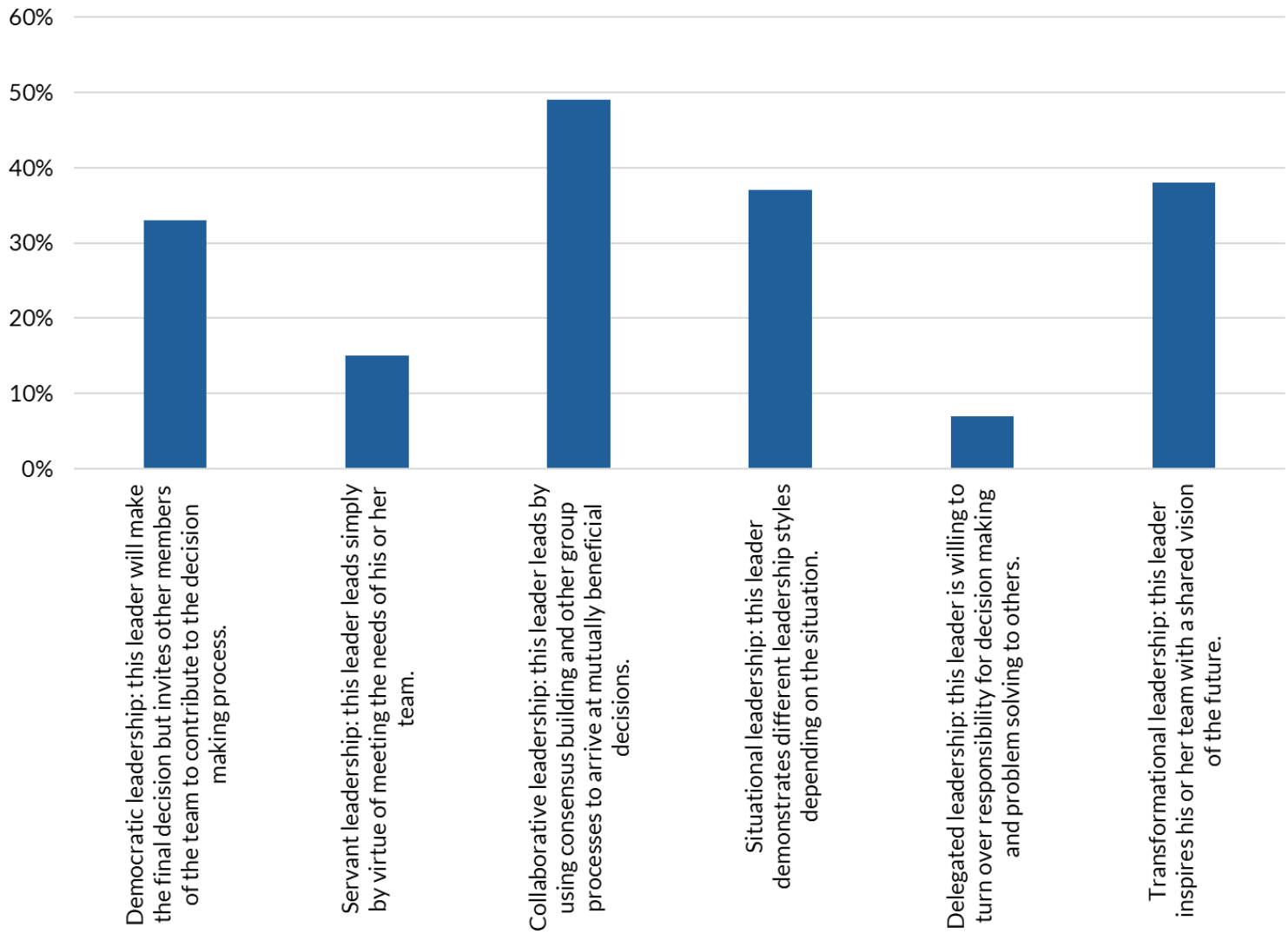
Note: Results may not equal 100% because of no response to the specific question

Question 2: Importance of Expertise Area

(High=6)



Question 3: Most Effective Leadership Style



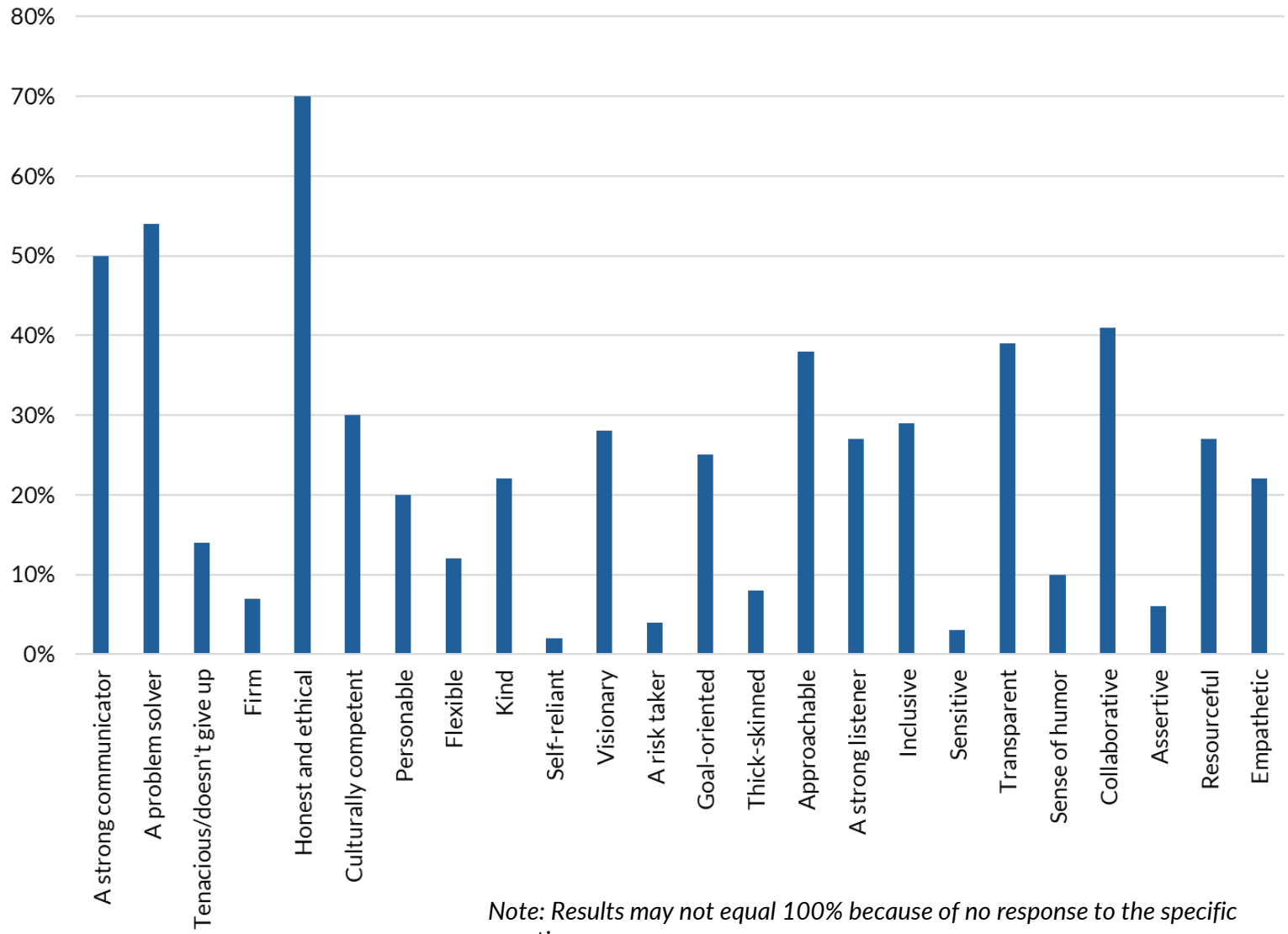
Note: Results may not equal 100% because of no response to the specific question

Question 4: Most Important Skills and Experiences

(High=6)

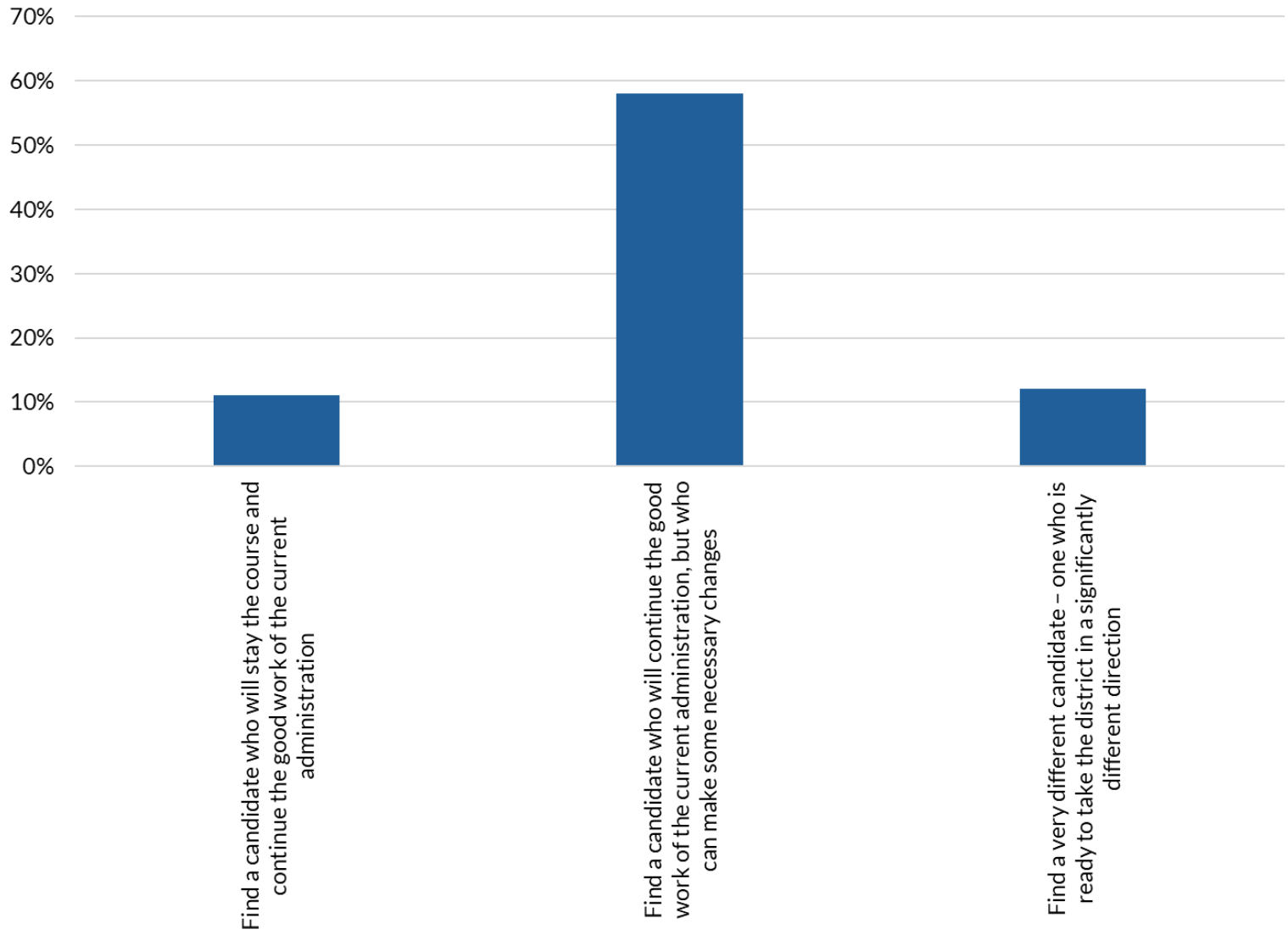
Experiences and Skills																					
Ability to develop and direct an effective management team	Exceedingly responsive (follows through and follows up)	Ability to think outside the box and develop creative solutions to complicated problems	Visibility and accessibility to staff	Overarching love of kids	Recognizes, values, and affirms staff members	Responsiveness to students with learning differences	Proven track record of raising student achievement	Strong communication skills with School Board members	Successful experience working with diverse communities	Proven track record of active advocacy for public education	Strong knowledge of curriculum research and deployment	Visibility and accessibility to parents	Strong knowledge and experience with school financial matters	Effective professional development of staff	Visibility and accessibility to students	Excellent speaking skills with large and small groups	Exceptional written communication skills	Visibility and accessibility to the broader school district community	Ability to work with elected officials beyond the School Board	Experience with school bond/millage/sinking fund election and	Adept at media and public relations	Already familiar with the district
5.5	5.4	5.3	5.3	5.3	5.3	5.2	5.1	5.1	5.1	5.1	5.1	5.0	5.0	5.0	4.8	4.8	4.8	4.7	4.7	4.6	4.3	4.2

Question 5: Most Important Personal Characteristics



Note: Results may not equal 100% because of no response to the specific question

Question 6: Strategy/Path for the Board to Follow



Word Cloud:
Question 7: Other Thoughts to Guide the Board

Top Themes:

1. **Dr. Coffin**- Many respondents like Dr. Coffin and would like to see her take over the position; they feel she is the natural choice as a caring individual inside the school system. Some do not feel this way but still would like to see the position filled from within and by someone who is familiar with the school.
2. **Leadership**- Respondents noted they want someone who has leadership skills and will listen to staff and parents. They would like to see one who will continue to expand the AP classes and understand that all students should get equal opportunities.
3. **Diverse/Educate**- Some respondents are concerned that politics will play into the decision on who fills the superintendent position. Several noted that diversity and academic improvement remain at the top of priorities.

Note: See full list of comments for context

Questions

X. DISCUSSION ITEMS

A. Bid Pack #15 - Transportation

Presenter: Jon Barth, Director of Facilities Management and Transportation; Scott Smith, Plante Moran Realpoint; Aaron Phillips, McCarthy & Smith, Inc.

B. AP Physics New Textbook Adoption

Presenter: Margaret Hendrickson, Director, Curriculum, Instruction and Assessment; Colleen Stamm, K-12 District Math/Science Coordinator

C. Economics New Textbook Adoption

Presenter: Margaret Hendrickson, Director, Curriculum, Instruction and Assessment; Christi Fifield, 6-12 Literacy and Social Studies Coordinator; Katy Gustafson, FHS Instructional Leader for Social Studies

D. Superintendent Search - Next Steps

Presenter: Terri Weems, Board President and SESC Committee Chair

Plante Moran Realpoint
3000 Town Center, Suite 100
Southfield, MI 48075
Tel: 248.223.3500 | Fax: 248.223.3150
pmrealpoint.com

November 19, 2024

Mr. Jon Barth, Director of Facilities Management & Transportation
Farmington Public Schools
32500 Shiawassee St.
Farmington, MI 48336

RE: 2020 Bond - Contract Award Recommendation for Construction Bids
Bid Pack #15 – Transportation Renovations, Addition & Site Improvements

Dear Mr. Barth:

This letter transmits an update from Plante Moran Realpoint (PMR) as it relates to the assignment to assist and advise Farmington Public Schools (FPS) in its selection of Prime Contractors for the 2020 Bond Project listed above. This update represents the mutual efforts of PMR, Wakely Associates, Peter Basso & Associates, McCarthy & Smith and FPS administration and staff (Project Team) to present a framework in order to identify, evaluate and recommend Prime Contractors for this Project.

The Project Team has diligently worked to continuously validate the project scope sheets for the Project listed above, reviewed proposed drawings and performance specifications, met with district personnel, and aligned the release and bid due dates to ensure good bid coverage for the District.

On October 10, 2024, an advertisement for bids was posted to the required State of Michigan website. In addition, the advertisement was posted to the District's website as well as a local newspaper. Construction Documents and Specifications were formally issued and made available to interested bidders via web-based portals.

Relative to Bid Pack #15 – Transportation Renovations, Addition & Site Improvements, sixty (60) bid proposals were received and publicly opened on November 5, 2024. During the next week, the bid proposals were reviewed to determine the scope, schedule, budget, and other financial implications. Interviews were held with the recommended bidders and were attended by various members of the Project Team.

Upon completion of the interviews, and after subsequent clarifications and discussions, the Project Team is recommending the firms listed in McCarthy & Smith's Award Recommendation Letter for Bid Pack #15 – Transportation Renovations, Addition & Site Improvements for contract award.

The recommendation includes the acceptance of the following bid alternate:

Alternate #1: Asphalt Replacement at Select Areas		$ 31,500.00
	TOTAL	$ 31,500.00

Including Hard Construction of $1,213,573.00 and Construction Contingency (15%) of $182,036.00, this Project award recommendation equals $1,395,609.00.

For the Prime Contractors, the cost for the Work will be detailed in AIA Contract A132 – 2019 Standard Form of Agreement between Owner and Contractor, as modified pending final review and approval of terms by district legal counsel.

The recommendation for this Project is within the overall 2020 bond budget and significantly below the current budget for this project. The recommendation for this bid package will be funded from the 2020 Bond.

The work is planned to start in May 2025 and be complete prior to the start of the 2025-2026 school year. The paving work will be completed during Summer 2025.

The Project Team is available at the Board's convenience to answer any questions regarding bidding, the proposals, interview process, or the recommendation of the Project Team.

Sincerely,

PLANTE MORAN REALPOINT

Scott Smith, LEED AP
Senior Vice President

Paul R. Wills, AIA, LEED AP
Partner

Copy: Jennifer Kaminski – Farmington Public Schools
File

Enclosures:

- McCarthy & Smith, Inc. - Bid Pack #15 – Transportation Renovations, Addition & Site Improvements dated November 19, 2024

BID PACK #15: TRANSPORTATION RENOVATIONS, ADDITION & SITE IMPROVEMENTS - COST SUMMARY

	Hard Construction		
Building	**Budget**	**Actual**	**Variance**
Transportation	$ 1,659,439	$ 1,213,573	$ 445,866
Totals	**$ 1,659,439**	**$ 1,213,573**	**$ 445,866**

	Construction Contingency (15%)		
Building	**Budget**	**Actual**	**Variance**
Transportation	$ 165,944	$ 182,036	$ (16,092)
Totals	**$ 165,944**	**$ 182,036**	**$ (16,092)**

	Total Project Costs		
Building	**Budget**	**Actual**	**Variance**
Transportation	$ 1,825,383	$ 1,395,609	$ 429,774
Totals	**$ 1,825,383**	**$ 1,395,609**	**$ 429,774**

November 19, 2024

Mr. Jon Barth
Director of Facilities Management and Transportation
Farmington Public Schools
32500 Shiawassee Street
Farmington, Michigan 48336

RE: 2020 Bond Issue
Bid Package #15 Transportation Building Renovation & Addition

SUBJ: Contract Award Recommendation

Mr. Barth,

On Tuesday, November 5, 2024, at 10:00 AM, sealed bids were received and publicly opened for the work pertaining to the above referenced project. In attendance at the bid opening were representatives from Farmington Public Schools, Plante Moran Realpoint, Wakely Associates, McCarthy & Smith, Inc., and interested Bidders. Bids were opened, recorded, and tabulated.

The project team has conducted post bid interviews with the following low, qualified Bidders, for each bid division of work. During the post bid interview, the project team reviewed the Contractor's qualifications, scope of work, project schedule, manpower requirements, and specified materials. Based upon the project team's review of the proposals and bidders, we propose the following companies to Farmington Public Schools for contract award:

Bid Division 102: Asphalt Paving / Site Concrete

Nagle Paving Company
Rob Nagle
39525 West 13 Mile Road
Novi, MI 48377

Base Bid		$	382,490.00
PLM Bond (Western Surety)		$	1,900.00
Alt. #1: Remove/Replace Additional HMA		$	31,500.00
	Total	**$**	**415,890.00**

Bid Division 103: Selective Demolition

DKI International, Inc.
Fred Yacoub
6775 Daly Road #101
West Bloomfield, MI 48322

Base Bid		$	23,000.00
PLM Bond (N/A)		$	0.00
	Total	**$**	**23,000.00**

McCarthy & Smith, Inc.
Construction Services

Bid Division 104: Concrete Footings, Foundations, & Building Flatwork

Contek, Inc.
Dan Lester
3753 Oakridge Court
Ann Arbor, MI 48105

Base Bid		$	58,650.00
PLM Bond (VTC Insurance Group)		$	880.00
	Total	**$**	**59,530.00**

Bid Division 106: Masonry

Masonry Solutions Midwest II, LLC
Don Glesen
24441 N. River Road
Mt. Clemens, MI 48043

Base Bid		$	71,765.00
PLM Bond (Granite, RE)		$	1,435.00
	Total	**$**	**73,200.00**

Bid Division 107: Structural & Miscellaneous Steel

Judd Industrial Contracting, Inc.
Mark Moceri
17900 Ryan Road
Detroit, MI 48212

Base Bid		$	42,250.00
PLM Bond (N/A)		$	0.00
	Total	**$**	**42,250.00**

Bid Division 109: Roofing & Sheet Metal

Quality Roofing, Inc.
Chris Connelly
10800 Plaza Drive
Township of Hamburg, MI 48189

Base Bid		$	192,900.00
PLM Bond (The Hudson Insurance Group)		$	4,050.00
	Total	**$**	**196,950.00**

Bid Division 114: Aluminum Entrances, Glass, & Glazing

TrenKo Commercial Glass LLC
Kevin Trenkamp
5570 East 10 Mile Road
Warren, MI 48091

Base Bid		$	65,700.00
PLM Bond (Selective Insurance Company of America)		$	1,400.00
	Total	**$**	**67,100.00**

Bid Division 120: Painting

Laci Painting, LLC
Gertjol Keqi
31190 Portside Drive, Suite 4204
Novi, MI 48377

Base Bid		$	43,500.00
PLM Bond (Great American Insurance Company)		$	1,500.00
	Total	**$**	**45,000.00**

Bid Division 142: Plumbing & HVAC

Long Mechanical, Inc.
Ron Tini
190 East Main Street
Northville, MI 48167

Base Bid		$	178,530.00
PLM Bond (Hartford Fire Insurance Company)		$	3,670.00
	Total	**$**	**182,200.00**

Bid Division 143: Electrical

DeHondt Electric, Inc.
Jerry DeHondt
15450 33 Mile Road
Armada, MI 48005

Base Bid		$	91,825.00
PLM Bond (VTC Insurance)		$	2,000.00
	Total	**$**	**93,825.00**

Bid Division 149: Fencing & Gates

Industrial Fence & Landscaping, Inc.
Richard Novak
12030 Pleasant Drive
Detroit, MI 48127

Base Bid		$	14,228.00
PLM Bond (Harco National Insurance)		$	400.00
	Total	**$**	**14,628.00**

TOTAL AWARD RECOMMENDATION AMOUNT: $1,213,573.00

The Bid Summary and Bid Tabulation are included in this package.

I trust the above recommendations meet the approval of the Administration and the Board of Education. McCarthy & Smith, Inc. representatives will attend the November 19, 2024 and December 3, 2024, Board of Education meetings to address any concerns.

Please contact me with any questions.

Sincerely,

Aaron A. Phillips

Aaron A. Phillips
Project Director
McCarthy & Smith, Inc.

CC: Paul Wills, Plante Moran Realpoint
Scott Smith, Plante Moran Realpoint
Brian Smilnak, Wakely Associates
Bill McCarthy, McCarthy & Smith, Inc.

Farmington Public Schools - 2020 Bond Issue
Bid Package #15 Transportation Building Renovation Addition
November 19, 2024

McCarthy & Smith, Inc.
Construction Services

Bid Award Summary

Bid Division / Description		Apparent Low Bidder	BASE BID			ALTERNATES	SUMMARY ITEMS			
			BASE BID	PLM Bond	Total Base Bid	ALT. #1 R&R Additional HMA	Total Award Recommendation	Number of Bidders	Low	High
102	Asphalt Paving/Site Concrete	Nagle Paving Company	$ 382,490.00	$ 1,900.00	$ 384,390.00	$ 31,500.00	**$ 415,890.00**	3	$ 382,490.00	$ 440,000.00
103	Selective Demolition	DKI International, Inc.	$ 23,000.00		$ 23,000.00	$ -	**$ 23,000.00**	4	$ 23,000.00	$ 49,950.00
104	Concrete Footings, Foundations, & Building Flatwork	Contek, Inc.	$ 58,650.00	$ 880.00	$ 59,530.00	$ -	**$ 59,530.00**	4	$ 58,650.00	$ 73,460.00
106	Masonry	Masonry Solutions Midwest II, LLC	$ 71,765.00	$ 1,435.00	$ 73,200.00	$ -	**$ 73,200.00**	9	$ 71,765.00	$ 175,200.00
107	Structural & Miscellaneous Steel	Judd Industrial Contracting, Inc.	$ 42,250.00		$ 42,250.00	$ -	**$ 42,250.00**	8	$ 42,250.00	$ 71,060.00
109	Roofing & Sheet Metal	Quality Roofing, Inc.	$ 192,900.00	$ 4,050.00	$ 196,950.00	$ -	**$ 196,950.00**	8	$ 192,900.00	$ 322,000.00
114	Aluminum Windows, Entrances, Glass, & Glazing	TrenKo Commercial Glass LLC	$ 65,700.00	$ 1,400.00	$ 67,100.00	$ -	**$ 67,100.00**	3	$ 65,700.00	$ 83,000.00
120	Painting	Laci Painting, LLC	$ 43,500.00	$ 1,500.00	$ 45,000.00	$ -	**$ 45,000.00**	8	$ 43,500.00	$ 152,600.00
142	Plumbing & HVAC	Long Mechanical, Inc.	$ 178,530.00	$ 3,670.00	$ 182,200.00	$ -	**$ 182,200.00**	5	$ 178,530.00	$ 272,000.00
143	Electrical	DeHondt Electric, Inc.	$ 91,825.00	$ 2,000.00	$ 93,825.00	$ -	**$ 93,825.00**	4	$ 91,825.00	$ 150,000.00
149	Fencing & Gates	Industrial Fence & Landscaping, Inc.	$ 14,228.00	$ 400.00	$ 14,628.00	$ -	**$ 14,628.00**	4	$ 14,228.00	$ 71,127.00
		TOTALS	**$ 1,164,838.00**	**$ 17,235.00**	**$ 1,182,073.00**	**$ 31,500.00**	**$ 1,213,573.00**	**60**	**$ 1,164,838.00**	**$ 1,860,397.00**

Job #1286-24: Farmington Public Schools BP#15 - Transportation Building renovation & Addition

Prepared by McCarthy & Smith, Inc. - 24317 Indoplex Circle, Farmington Hills, MI 48335, United States of America

Bid Package Lead: Mary Beth Dorsch (mdorsch@mccarthysmith.com)

Project Location: Farmington, MI, United States of America

BD 102: Asphalt Paving & Site Concrete

Generated November 7, 2024

Base Bid

	Nagle Paving Company Submitted by Chris Oliver			T&M Asphalt Paving, Inc. Submitted by Scott Ford			S & J Asphalt Paving Co. Submitted by Marc Olds		
	$384,390			**$418,700**			**$444,000**		
	Original Proposal, November 5, 2024			Original Proposal, November 5, 2024			Original Proposal, November 5, 2024		
	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost
LINE ITEMS			**$384,390**			**$418,700**			**$444,000**
Lump Sum Bid for Asphalt Paving / Site Concrete			$382,490			$414,700			$440,000
Cost for Performance and labor & Material Payment Bond to be added to the Base Bid			$1,900			$4,000			$4,000
ALTERNATES									
Alternate #1 (including PLM Bond) - Remove & Replace Pavement			$31,500			$27,785			$78,000
INCLUSIONS									
Bidder has signed and uploaded the Bid Security in the amount of five (5%) percent (Bid Bond or Certified Check).		YES			YES			YES	
Bidder has signed and uploaded the Familial Disclosure Affidavit Form.		YES			YES			YES	
Bidder has signed and uploaded the Iran Linked Business Affidavit Form.		YES			YES			YES	
Bidder has signed and uploaded the Criminal Background Check Affidavit Form.		YES			YES			YES	
Base Bid Total			**$ 384,390.00**			**$ 418,700.00**			**$ 444,000.00**

Job #1286-24: Farmington Public Schools BP#15 - Transportation Building renovation & Addition

Prepared by McCarthy & Smith, Inc. - 24317 Indoplex Circle, Farmington Hills, MI 48335, United States of America

Bid Package Lead: Mary Beth Dorsch (mdorsch@mccarthysmith.com)

Project Location: Farmington, MI, United States of America

BD 103: Demolition

Generated November 7, 2024

Base Bid

	DKI, International Inc.			Great Lakes Construction Services			Reese Contracting, Inc.			Blue Star, Inc.		
	Submitted by Fred Yacoub			Submitted by Dan Husek			Submitted by Jorge L. Avitia			Submitted by Luchrisha Stong		
	$23,500			**$24,900**			**$43,300**			**$50,550**		
	Original Proposal, November 5, 2024			Revision #1, November 4, 2024			Original Proposal, November 5, 2024			Original Proposal, November 5, 2024		
	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost
LINE ITEMS			**$23,500**			**$24,900**			**$43,300**			**$50,550**
Lump Sum Bid for Selective Demolition			$23,000			$24,600			$42,500			$49,950
Cost for Performance and Labor & Material Payment Bonds, to be added to the Base Bid			$500			$300			$800			$600
INCLUSIONS												
FOLLOWING DOCUMENTS MUST BE UPLOADED WITH BID												
Bidder has uploaded the Bid Security in the amount of five (5%) percent (Bid Bond or Certified Check)		YES			YES			YES			YES	
Bidder has signed and uploaded the Familial Disclosure Affidavit Form		YES			YES			YES			YES	
Bidder has signed and uploaded the Iran Linked Business Affidavit Form		YES			YES			YES			YES	
Bidder has signed and uploaded the Criminal Background Check Affidavit Form		YES			YES			YES			YES	
Base Bid Total			**$ 23,500.00**			**$ 24,900.00**			**$ 43,300.00**			**$ 50,550.00**

Job #1286-24: Farmington Public Schools BP#15 - Transportation Building renovation & Addition

Prepared by McCarthy & Smith, Inc. - 24317 Indoplex Circle, Farmington Hills, MI 48335, United States of America

Bid Package Lead: Mary Beth Dorsch (mdorsch@mccarthysmith.com)

Project Location: Farmington, MI, United States of America

BD 104: Concrete Footings, Foundations & Building Flatwork

Generated November 7, 2024

Base Bid

	Contek Inc Submitted by Dan Lester			Moretti Foundation Submitted by Dennis Moretti			Mccarthy Construction Company Submitted by Carrie McCarthy			Midtown Group, LLC Submitted by Matthew Cosby		
	$59,530			**$64,250**			**$67,916**			**$74,600**		
	Original Proposal, November 4, 2024			Original Proposal, November 5, 2024			Original Proposal, November 4, 2024			Original Proposal, November 5, 2024		
	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost
LINE ITEMS			**$59,530**			**$64,250**			**$67,916**			**$74,600**
Lump Sum Bid for Concrete Work			$58,650			$63,000			$66,585			$73,460
Cost for Performance and Labor & Material Payment Bonds, to be added to the Base Bid			$880			$1,250			$1,331			$1,140
INCLUSIONS												
FOLLOWING DOCUMENTS MUST BE UPLOADED WITH BID												
Bidder has uploaded the Bid Security in the amount of five (5%) percent (Bid Bond or Certified Check)		YES			YES			YES			YES	
Bidder has signed and uploaded the Familial Disclosure Affidavit Form		YES			YES			YES			YES	
Bidder has signed and uploaded the Iran Linked Business Affidavit Form		YES			YES			YES			YES	
Bidder has signed and uploaded the Criminal Background Check Affidavit Form		YES			YES			YES			YES	
Base Bid Total			**$ 59,530.00**			**$ 64,250.00**			**$ 67,916.00**			**$ 74,600.00**

Job #1286-24: Farmington Public Schools BP#15 - Transportation Building renovation & Addition

Prepared by McCarthy & Smith, Inc. - 24317 Indoplex Circle, Farmington Hills, MI 48335, United States of America

Bid Package Lead: Mary Beth Dorsch (mdorsch@mccarthysmith.com)

Project Location: Farmington, MI, United States of America

BD 106: Masonry
Generated November 7, 2024

Base Bid

	Masonry Solutions Midwest LLC Submitted by Don Glesen			HMC Mason Contractors Submitted by Julie Gentile			Connolly Masonry, Inc. Submitted by John Connolly			Navetta Mason Contractors, Inc. Submitted by Jason Dudek			DAloisio Masonry & Construction, Inc. Submitted by Lisa Daloisio		
	$73,200			**$80,670**			**$93,620**			**$94,696**			**$98,620**		
	Original Proposal, November 5, 2024			Original Proposal, November 4, 2024			Revision #1, November 4, 2024			Revision #1, November 4, 2024			Original Proposal, November 5, 2024		
	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost
LINE ITEMS			**$73,200**			**$80,670**			**$93,620**			**$94,696**			**$98,620**
Lump Sum Bid for Masonry			$71,765			$79,720			$92,400			$93,850			$97,120
Cost for Performance and Labor & Material Payment Bonds, to be added to the Base Bid			$1,435			$950			$1,220			$846			$1,500
INCLUSIONS															
FOLLOWING DOCUMENTS MUST BE UPLOADED WITH BID															
Bidder has uploaded the Bid Security in the amount of five (5%) percent (Bid Bond or Certified Check)		YES			YES			YES			YES			YES	
Bidder has signed and uploaded the Familial Disclosure Affidavit Form		YES			YES			YES			YES			YES	
Bidder has signed and uploaded the Iran Linked Business Affidavit Form		YES			YES			YES			YES			YES	
Bidder has signed and uploaded the Criminal Background Check Affidavit Form		YES			YES			YES			YES			YES	
Base Bid Total			**$ 73,200.00**			**$ 80,670.00**			**$ 93,620.00**			**$ 94,696.00**			**$ 98,620.00**

Job #1286-24: Farmington Public Schools BP#15 - Transportation Building renovation & Addition

Prepared by McCarthy & Smith, Inc. - 24317 Indoplex Circle, Farmington Hills, MI 48335, United States of America

Bid Package Lead: Mary Beth Dorsch (mdorsch@mccarthysmith.com)

Project Location: Farmington, MI, United States of America

BNE Services, LLC Submitted by Brian Anton			J&J Construction Company Submitted by J&J Construction			Silverado Construction Inc. Submitted by Dale Haselhuhn			Albaugh Masonry Submitted by Jim Burnand		
$99,918			**$105,253**			**$130,100**			**$178,010**		
Original Proposal, November 4, 2024			Original Proposal, November 5, 2024			Original Proposal, November 4, 2024			Original Proposal, November 4, 2024		
Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost
		$99,918			**$105,253**			**$130,100**			**$178,010**
		$98,636			$103,453			$126,500			$175,200
		$1,282			$1,800			$3,600			$2,810
	YES			YES			YES			YES	
	YES			YES			YES			YES	
	YES			YES			YES			YES	
	YES			YES			YES			YES	
		$ 99,918.00			**$ 105,253.00**			**$ 130,100.00**			**$ 178,010.00**

Job #1286-24: Farmington Public Schools BP#15 - Transportation Building renovation & Addition

Prepared by McCarthy & Smith, Inc. - 24317 Indoplex Circle, Farmington Hills, MI 48335, United States of America

Bid Package Lead: Mary Beth Dorsch (mdorsch@mccarthysmith.com)

Project Location: Farmington, MI, United States of America

BD 107: Structural & Miscellaneous Steel

Generated November 7, 2024

Base Bid

	Judd Industrial Contracting, Inc.			Dunn-Wright Steel Co.			Wolverine Steel Erectors, Inc.			Cass Erectors, Inc.		
	Submitted by Mark Moceri			Submitted by John Vanecek			Submitted by Pamela Ray			Submitted by Timothy Meagher		
	$42,895			**$46,979**			**$49,022**			**$57,900**		
	Original Proposal, November 5, 2024			Revision #1, November 5, 2024			Original Proposal, November 4, 2024			Original Proposal, November 5, 2024		
	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost
LINE ITEMS			**$42,895**			**$46,979**			**$49,022**			**$57,900**
Lump Sum Bid for Structural Steel			$42,250			$45,354			$48,517			$57,320
Cost for Performance and Labor & Material Payment Bonds, to be added to the Base Bid			$645			$1,625			$505			$580
INCLUSIONS												
FOLLOWING DOCUMENTS MUST BE UPLOADED WITH BID												
Bidder has uploaded the Bid Security in the amount of five (5%) percent (Bid Bond or Certified Check)		YES			YES			YES			YES	
Bidder has signed and uploaded the Familial Disclosure Affidavit Form		YES			YES			YES			YES	
Bidder has signed and uploaded the Iran Linked Business Affidavit Form		YES			YES			YES			YES	
Bidder has signed and uploaded the Criminal Background Check Affidavit Form		YES			YES			YES			YES	
Base Bid Total			**$ 42,895.00**			**$ 46,979.00**			**$ 49,022.00**			**$ 57,900.00**

Job #1286-24: Farmington Public Schools BP#15 - Transportation Building renovation & Addition

Prepared by McCarthy & Smith, Inc. - 24317 Indoplex Circle, Farmington Hills, MI 48335, United States of America

Bid Package Lead: Mary Beth Dorsch (mdorsch@mccarthysmith.com)

Project Location: Farmington, MI, United States of America

	Howard Structural Steel, Inc.	Lapeer Steel, Inc.	Zak Welding & Custom Work,LLC	B & A Structural Steel LLC
	Submitted by Patrick Wilding	Submitted by Eric Kosemba	Submitted by PAUL BHAVSAR	Submitted by Michael Weldy
	$65,833	**$67,065**	**$69,250**	**$72,836**
	Original Proposal, November 5, 2024	Original Proposal, November 4, 2024	Original Proposal, November 4, 2024	Original Proposal, November 5, 2024
Unit / Unit Cost / Total Cost	**$65,833**	**$67,065**	**$69,250**	**$72,836**
	$64,833	$65,950	$68,250	$71,060
	$1,000	$1,115	$1,000	$1,776
	YES	YES	YES	YES
	YES	YES	YES	YES
	YES	YES	YES	YES
	YES	YES	YES	YES
	$ 65,833.00	$ 67,065.00	$ 69,250.00	$ 72,836.00

Job #1286-24: Farmington Public Schools BP#15 - Transportation Building renovation & Addition

Prepared by McCarthy & Smith, Inc. - 24317 Indoplex Circle, Farmington Hills, MI 48335, United States of America

Bid Package Lead: Mary Beth Dorsch (mdorsch@mccarthysmith.com)

Project Location: Farmington, MI, United States of America

BD 109: Roofing & Sheet Metal
Generated November 7, 2024

Base Bid

	Quality Roofing Submitted by Johna Russell			Esko Roofing & Sheet Metal Submitted by Steve Eskelinen			Schena Roofing & Sheet Metal Co., Inc. Submitted by Chase Keathley			Advanced Roofing, Inc. Submitted by Scott Collins		
	$196,950			**$206,800**			**$237,075**			**$256,620**		
	Original Proposal, November 5, 2024			Original Proposal, November 5, 2024			Original Proposal, November 5, 2024			Original Proposal, November 4, 2024		
	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost
LINE ITEMS			**$196,950**			**$206,800**			**$237,075**			**$256,620**
Lump Sum Bid for Roofing / Sheetmeal			$192,900			$203,800			$233,075			$253,570
Cost for Performance and Labor & Material Payment Bonds, to be added to the Base Bid			$4,050			$3,000			$4,000			$3,050
INCLUSIONS												
FOLLOWING DOCUMENTS MUST BE UPLOADED WITH BID												
Bidder has uploaded the Bid Security in the amount of five (5%) percent (Bid Bond or Certified Check)		YES			YES			YES			YES	
Bidder has signed and uploaded the Familial Disclosure Affidavit Form		YES			YES			YES			YES	
Bidder has signed and uploaded the Iran Linked Business Affidavit Form		YES			YES			YES			YES	
Bidder has signed and uploaded the Criminal Background Check Affidavit Form		YES			YES			YES			YES	
Base Bid Total			**$ 196,950.00**			**$ 206,800.00**			**$ 237,075.00**			**$ 256,620.00**

Job #1286-24: Farmington Public Schools BP#15 - Transportation Building renovation & Addition

Prepared by McCarthy & Smith, Inc. - 24317 Indoplex Circle, Farmington Hills, MI 48335, United States of America

Bid Package Lead: Mary Beth Dorsch (mdorsch@mccarthysmith.com)

Project Location: Farmington, MI, United States of America

Royal Roofing Submitted by Doug Stiff		
$258,500		
Original Proposal, November 5, 2024		
Unit	Unit Cost	Total Cost
		$258,500
		$255,900
		$2,600
	YES	
	YES	
	YES	
	YES	
		$ 258,500.00

D7BCI Submitted by Gregory Boyle		
$259,980		
Original Proposal, November 5, 2024		
Unit	Unit Cost	Total Cost
		$259,980
		$254,480
		$5,500
	YES	
	YES	
	YES	
	YES	
		$ 259,980.00

CEI Michigan, LLC Submitted by Eric Cook		
$296,644		
Original Proposal, November 5, 2024		
Unit	Unit Cost	Total Cost
		$296,644
		$291,400
		$5,244
	YES	
	YES	
	YES	
	YES	
		$ 296,644.00

KJP Roofing and Sheet Metal, Inc. Submitted by Jason Prieskorn		
$325,000		
Original Proposal, November 5, 2024		
Unit	Unit Cost	Total Cost
		$325,000
		$322,000
		$3,000
	YES	
	YES	
	YES	
	YES	
		$ 325,000.00

Job #1286-24: Farmington Public Schools BP#15 - Transportation Building renovation & Addition

Prepared by McCarthy & Smith, Inc. - 24317 Indoplex Circle, Farmington Hills, MI 48335, United States of America

Bid Package Lead: Mary Beth Dorsch (mdorsch@mccarthysmith.com)

Project Location: Farmington, MI, United States of America

BD 114: Aluminum Windows, Entrances, Glass & Glazing

Generated November 7, 2024

Base Bid

	Trenko Glass Submitted by Kevin Trenkamp			Daniels Glass Inc. Submitted by Chris Mandelka			Rochester Hills Contract Glazing Submitted by Eric Hicks		
	$67,100			**$74,158**			**$84,000**		
	Revision #2, November 5, 2024			Original Proposal, November 5, 2024			Original Proposal, November 5, 2024		
	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost
LINE ITEMS			**$67,100**			**$74,158**			**$84,000**
Lump Sum Bid for Aluminum Entrances / Storefront / Glass & Glazing			$65,700			$72,708			$83,000
Cost for Performance and Labor & Material Payment Bonds, to be added to the Base Bid			$1,400			$1,450			$1,000
FOLLOWING DOCUMENTS MUST BE UPLOADED WITH BID									
Bidder has uploaded the Bid Security in the amount of five (5%) percent (Bid Bond or Certified Check)		YES			YES			YES	
Bidder has signed and uploaded the Familial Disclosure Affidavit Form		YES			YES			YES	
Bidder has signed and uploaded the Iran Linked Business Affidavit Form		YES			YES			YES	
Bidder has signed and uploaded the Criminal Background Check Affidavit Form		YES			YES			YES	
Base Bid Total			**$ 67,100.00**			**$ 74,158.00**			**$ 84,000.00**

Job #1286-24: Farmington Public Schools BP#15 - Transportation Building renovation & Addition

Prepared by McCarthy & Smith, Inc. - 24317 Indoplex Circle, Farmington Hills, MI 48335, United States of America

Bid Package Lead: Mary Beth Dorsch (mdorsch@mccarthysmith.com)

Project Location: Farmington, MI, United States of America

BD 120: Painting
Generated November 7, 2024

	Laci Painting LLC Submitted by Gertjol Keqi			Diamond Custom painting Submitted by Eduart Pecaj			R&G Painting Home Improvement LLC Submitted by Aldo Foto			Twin Brothers Painting Submitted by Erlis Vushaj		
Base Bid	**$45,000**			**$46,638**			**$54,000**			**$61,000**		
	Original Proposal, November 3, 2024			Original Proposal, November 5, 2024			Revision #2, November 5, 2024			Original Proposal, November 5, 2024		
	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost
LINE ITEMS			**$45,000**			**$46,638**			**$54,000**			**$61,000**
Lump Sum Bid for Painting			$43,500			$45,500			$53,000			$59,000
Cost for Performance and Labor & Material Payment Bonds, to be added to the Base Bid			$1,500			$1,138			$1,000			$2,000
ALTERNATES												
COMBINE BID DEDUCT (THE CORRESPONDING AMOUNT WILL BE DEDUCTED FROM THE TOTAL OF BASE BIDS FOR SUCH COMBINATION OF BID DIVISIONS)												
Combined Bid (Enter in Bid Division and Bid Deduct)			0			$ 46,638.00			0			0
INCLUSIONS												
FOLLOWING DOCUMENTS MUST BE UPLOADED WITH BID												
Bidder has uploaded the Bid Security in the amount of five (5%) percent (Bid Bond or Certified Check)		YES			YES			YES			YES	
Bidder has signed and uploaded the Familial Disclosure Affidavit Form		YES			YES			YES			YES	
Bidder has signed and uploaded the Iran Linked Business Affidavit Form		YES			YES			YES			YES	
Bidder has signed and uploaded the Criminal Background Check Affidavit Form		YES			YES			YES			YES	
Base Bid Total			**$ 45,000.00**			**$ 46,638.00**			**$ 54,000.00**			**$ 61,000.00**

Job #1286-24: Farmington Public Schools BP#15 - Transportation Building renovation & Addition

Prepared by McCarthy & Smith, Inc. - 24317 Indoplex Circle, Farmington Hills, MI 48335, United States of America

Bid Package Lead: Mary Beth Dorsch (mdorsch@mccarthysmith.com)

Project Location: Farmington, MI, United States of America

Continental Contracting Co., LLC Submitted by Franko Sallaku		
$65,975		
Revision #2, November 5, 2024		
Unit	Unit Cost	Total Cost
		$65,975
		$65,000
		$975
		0
	YES	
	YES	
	YES	
	YES	
		$ 65,975.00

G&T Commercial Coatings, Inc. Submitted by Tasso Liangis		
$67,482		
Original Proposal, November 5, 2024		
Unit	Unit Cost	Total Cost
		$67,482
		$65,516
		$1,966
		0
	YES	
	YES	
	YES	
	YES	
		$ 67,482.00

Trio Painting Company Submitted by Colton Boka		
$68,135		
Revision #3, November 4, 2024		
Unit	Unit Cost	Total Cost
		$68,135
		$66,800
		$1,335
		0
	YES	
	YES	
	YES	
	YES	
		$ 68,135.00

Seven Brothers Painting Submitted by Samuel Fortuna		
$155,650		
Original Proposal, November 5, 2024		
Unit	Unit Cost	Total Cost
		$155,650
		$152,600
		$3,050
		0
	YES	
	YES	
	YES	
	YES	
		$ 155,650.00

Job #1286-24: Farmington Public Schools BP#15 - Transportation Building renovation & Addition

Prepared by McCarthy & Smith, Inc. - 24317 Indoplex Circle, Farmington Hills, MI 48335, United States of America

Bid Package Lead: Mary Beth Dorsch (mdorsch@mccarthysmith.com)

Project Location: Farmington, MI, United States of America

BD 142: Plumbing & HVAC

Generated November 7, 2024

Base Bid	Long Mechanical, Inc.			Tempco Mechanical Contractors, inc.			Complete Mechanical Contracting, Inc.			Danboise Mechanical Inc.			Contrast Mechanical, Inc.		
	Submitted by Jim Ballantine			Submitted by Jim Jagodzinski			Submitted by Bob Smith			Submitted by Subhash Pappagari			Submitted by Paul Bowers		
	$182,200			**$189,425**			**$234,942**			**$243,320**			**$274,000**		
	Original Proposal, November 5, 2024			Original Proposal, November 5, 2024			Original Proposal, November 5, 2024			Original Proposal, November 5, 2024			Original Proposal, November 5, 2024		
	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost
LINE ITEMS			**$182,200**			**$189,425**			**$234,942**			**$243,320**			**$274,000**
Lump Sum Bid for Plumbing & HVAC			$178,530			$185,625			$232,846			$240,016			$272,000
Cost for Performance and Labor & Material Payment Bonds, to be added to the Base Bid			$3,670			$3,800			$2,096			$3,304			$2,000
ALTERNATES			**$0**			**$0**			**$0**			**$0**			**$0**
Alternate - Provide price for Temperature Controls (for accounting purposes only)			$44,780			$42,500						$41,162			$41,162
Alternate - Provide price for Undercarriage Wall (installed - and for accounting purposes only)			$43,575.00			$52,000.00						$27,685.00			$41,000.00
INCLUSIONS															
FOLLOWING DOCUMENTS MUST BE UPLOADED WITH BID															
Bidder has uploaded the Bid Security in the amount of five (5%) percent (Bid Bond or Certified Check)		YES			YES			YES			YES			YES	
Bidder has signed and uploaded the Familial Disclosure Affidavit Form		YES			YES			YES			YES			YES	
Bidder has signed and uploaded the Iran Linked Business Affidavit Form		YES			YES			YES			YES			YES	
Bidder has signed and uploaded the Criminal Background Check Affidavit Form		YES			YES			YES			YES			YES	
Base Bid Total			**$ 182,200**			**$ 189,425**			**$ 234,942**			**$ 243,320**			**$ 274,000**

Job #1286-24: Farmington Public Schools BP#15 - Transportation Building renovation & Addition

Prepared by McCarthy & Smith, Inc. - 24317 Indoplex Circle, Farmington Hills, MI 48335, United States of America

Bid Package Lead: Mary Beth Dorsch (mdorsch@mccarthysmith.com)

Project Location: Farmington, MI, United States of America

BD 143: Electrical

Generated November 7, 2024

Base Bid

	DeHondt Electric Inc Submitted by Brent Brown			Advance Contracting And Electrical Service Submitted by Kevin Potter			Shoreview Electric Co. Submitted by Cindy Jones			Max Electric Submitted by Joseph Viviano		
	$93,825			**$129,400**			**$137,000**			**$152,250**		
	Original Proposal, November 5, 2024			Revision #1, November 5, 2024			Original Proposal, November 5, 2024			Original Proposal, November 5, 2024		
	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost
LINE ITEMS			**$93,825**			**$129,400**			**$137,000**			**$152,250**
Lump Sum Bid for Electrical			$91,825			$127,800			$135,000			$150,000
Cost for Performance and Labor & Material Payment Bonds, to be added to the Base Bid			$2,000			$1,600			$2,000			$2,250
INCLUSIONS												
FOLLOWING DOCUMENTS MUST BE UPLOADED WITH BID												
Bidder has uploaded the Bid Security in the amount of five (5%) percent (Bid Bond or Certified Check)		YES			YES			YES			YES	
Bidder has signed and uploaded the Familial Disclosure Affidavit Form		YES			YES			YES			YES	
Bidder has signed and uploaded the Iran Linked Business Affidavit Form		YES			YES			YES			YES	
Bidder has signed and uploaded the Criminal Background Check Affidavit Form		YES			YES			YES			YES	
Base Bid Total			**$ 93,825.00**			**$ 129,400.00**			**$ 137,000.00**			**$ 152,250.00**

Job #1286-24: Farmington Public Schools BP#15 - Transportation Building renovation & Addition

Prepared by McCarthy & Smith, Inc. - 24317 Indoplex Circle, Farmington Hills, MI 48335, United States of America

Bid Package Lead: Mary Beth Dorsch (mdorsch@mccarthysmith.com)

Project Location: Farmington, MI, United States of America

BD 149: Fences And Gates

Generated November 7, 2024

Base Bid

	Industrial Fence & Landscaping, Inc.			Zak Welding & Custom Work,LLC			Nationwide Construction Group			American Fence & Supply Co,. Inc		
	Submitted by Richard Novak			Submitted by PAUL BHAVSAR			Submitted by Scott Wasik			Submitted by Salim Setork		
	$14,628			**$15,250**			**$57,676**			**$72,372**		
	Original Proposal, November 5, 2024			Revision #1, November 4, 2024			Revision #2, November 5, 2024			Revision #1, November 5, 2024		
	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost
LINE ITEMS			**$14,628**			**$15,250**			**$57,676**			**$72,372**
Lump Sum Bid for Fencing & Gates			$14,228			$15,100			$57,389			$71,127
Cost for Performance and Labor & Material Payment Bonds, to be added to the Base Bid			$400			$150			$287			$1,245
INCLUSIONS												
FOLLOWING DOCUMENTS MUST BE UPLOADED WITH BID												
Bidder has uploaded the Bid Security in the amount of five (5%) percent (Bid Bond or Certified Check)		YES			YES			YES			YES	
Bidder has signed and uploaded the Familial Disclosure Affidavit Form		YES			YES			YES			YES	
Bidder has signed and uploaded the Iran Linked Business Affidavit Form		YES			YES			YES			YES	
Bidder has signed and uploaded the Criminal Background Check Affidavit Form		YES			YES			YES			YES	
Base Bid Total			**$ 14,628.00**			**$ 15,250.00**			**$ 57,675.95**			**$ 72,372.00**

Advanced Placement Physics C Textbook Adoption

Board of Education Meeting
November 19, 2024

Instructional Services

Colleen Stamm
K-12 Math and Science Coordinator

AP Physics C Textbook Proposal

Course Description:

Advanced Placement Physics is designed to prepare the student to take the Physics Advanced Placement Test. There is a strong emphasis on mathematics, using Calculus where appropriate. The focus of the course is aimed at enabling the student to use physical reasoning to solve problems. The AP Physics course covers mechanics in the first term, and electricity and magnetism in the second.

Students:

- explore concepts such as motion, gravitation, momentum, and rotation using conceptual explanations and calculus-based mathematics.
- create representations that depict physical phenomena
- conduct analyses to derive, calculate, estimate, or predict
- describe experimental procedures, analyzing data, supporting claims

AP Physics C Textbook Proposal

Why a New Textbook?

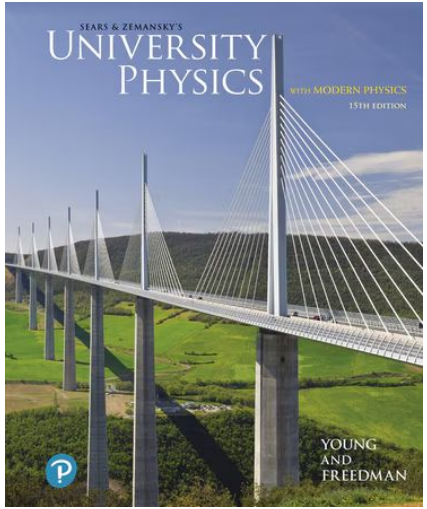
While it is still on the approved list, the textbook used currently is from the early 2000s and does not have a digital/online learning component to enhance the text.

AP Physics C Textbook Proposal

University Physics with Modern Physics

Fifteenth Edition| ©2020

Hugh D. Young & Roger A. Freedman



Text Highlights:

- Aligned with College Board Scope and Sequence.
- Textbook is approved by the College Board.
- Comes with Mastering Physics which is an online platform which contains study tools, tailored feedback, interactive course-specific content, and real time analytics and insights.
- Includes a study guide and solutions manual.

Economics Textbook Adoption Fall 2024

Board of Education Presentation

Instructional Services

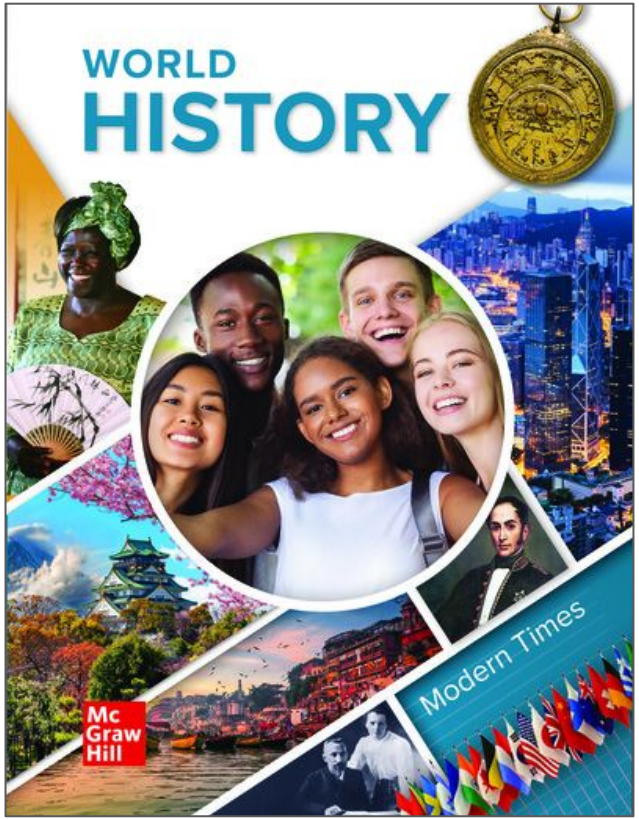
Christi Fifield, 6-12 Literacy and Social Studies Coordinator

Katy Gustafson, FHS Instructional Leader for Social Studies

Course Snapshot

Economics (required for graduation)

This one semester required course for 11th/12th graders builds economic literacy in students. The overarching problem of scarcity, unlimited human wants pursuing limited resources, is a focal point of the course. Students deepen their prior knowledge of basic economic concepts and apply them to national and international economic systems and problems as a whole. In addition to their study of macroeconomics, students study how interactions of buyers and sellers impact prices and supplies, as well as the role of trade-offs and incentives in consumer and business decisions. Using a variety of media, they compile, analyze, and present statistical data pertinent to economic problems. Students use their economic knowledge to make informed decisions as consumers and to participate as citizens in deciding matters of economic policy. This course is designed to develop students' global perspective in an economically interdependent world.



High School Social Studies Goals

Goal #1 - Resources

The most current common resource we have for Economics is from 2003, so having a new foundational resources feels incredibly important for teachers and students.

Goal #2 - Inquiry

Through our work with our social studies visioning group, it was clear that learning about and implementing an inquiry approach was something that teachers felt was important for students.

Resource Recommendation

The Social Studies Resource Adoption team adopted the McGraw Hill high school social studies series for the other three core classes last year. We would like to add Economics to complete the progression.

SOCIAL STUDIES

High School

XII. ACTION ITEMS

A. Approval of Annual Audit Report

Presenters: Jennifer Kaminski, Assistant Superintendent, Business Services; Jenny Kolbow, Senior Manager, Plante Moran Realpoint

This item was presented in detail at the October 22, 2024, Board of Education regular meeting.

MOTION: I move that the Board of Education approve the 2023-224 Annual Audit Report, as presented.

ROLL CALL VOTE

B. October 22, 2024 Closed Session Minutes

Presenter: Terri Weems, Board President

MOTION: I move that the Board of Education approve the October 22, 2024 Closed Session Minutes, as presented.

VOICE VOTE

C. Superintendent Search - Next Steps

Presenter: Terri Weems, Board President and SESC Committee Chair

ROLL CALL VOTE

FARMINGTON PUBLIC SCHOOLS

MEMORANDUM

TO: Board of Education

FROM: Jennifer F. Kaminski, Assistant Superintendent for Business Services

SUBJECT: 2023-24 Annual Comprehensive Financial Report

DATE: October 22, 2024

Please find enclosed the Annual Comprehensive Financial Report for the fiscal year end June 30, 2024. The report has been prepared in compliance with the Association of School Business Official's Certificate of Excellence in Financial Reporting. Also included in your packet is a copy of the Federal Awards Supplemental Information Report, the Report to the Board of Education and Plante Moran's Board of Education slide presentation. The slide presentation will be presented by Jenny Kolbow from Plante Moran.

Plante Moran has issued an unmodified opinion which means that the financial statements present fairly, in all material respects, the respective financial position of the Farmington Public School District as of June 30, 2024.

The financial statements contain both government-wide statements as well as statements for all of the Governmental Funds of the district. Farmington has three major funds; the General Fund, which is always reported as a major fund, the 2020 Building and Site Fund and the 2023 Building and Site Fund. The other funds of the district are grouped together and included in one column of the fund financial statements as nonmajor. In addition, the district maintains a Proprietary Fund which is an Internal Service Fund for Benefit Stabilization. This fund maintains the cost of the self-insured medical coverage and tracks the charges for the insurance costs for both the employee and employer. It also includes the costs for dental, vision, life and long-term disability benefits. The claims costs exceeded the charge for services in the current year and additional dollars had to be charged to the General Fund and Nutrition Services fund to bring the Benefit Stabilization to a positive balance with a reasonable amount of fund balance.

Total General Fund revenue was $175,993,832 and total expenditures were $173,657,685. The total General Fund fund balance is $39,336,734 or 22.65 percent of expenditures and other uses. Pages 25-26 in the report describe the categories of fund balance and page 14 reflects these categories on the face of the Balance Sheet of the General Fund.

On a government-wide basis, Farmington has a negative net position of approximately $121.5 million. This negative net position is similar to all school districts in Michigan. This does not affect the fund level statements which is the level that is budgeted and monitored continually throughout the year. If the retirement obligation was removed from the statements, The District would have a positive net position of approximately $74 million.

Thank you to Kim Pincheck, Karla Swanson and the entire business office staff for their efforts in completing this audit.

If you have any questions about the financial statements, please feel free to contact me.

Farmington PUBLIC SCHOOLS
High achievement by all students, where learning is our most important work

October 18, 2024

Plante & Moran, PLLC
2601 Cambridge Court
Suite 300
Auburn Hills, MI 48326

Auditors:

We are providing this letter in connection with your audit of the basic financial statements of Farmington Public School District (the "School District") as of June 30, 2024 and for the year ended June 30, 2024 for the purpose of expressing an opinion as to whether the basic financial statements present fairly, in all material respects, the financial position, changes in financial position, and cash flows, where applicable, of the School District in accordance with accounting principles generally accepted in the United States (U.S. GAAP). We accept responsibility for the preparation and fair presentation of the basic statements of financial position, changes in financial position, and cash flows, where applicable, in accordance with in accordance with accounting principles generally accepted in the United States. We also confirm that we are responsible for the presentation of any required supplemental (RSI) or supplemental information (SI) for which you have provided an opinion in relation to the financial statements as a whole. We believe that this information, including its form and content, is fairly presented in accordance with the applicable criteria.

We acknowledge our responsibility for the completeness of the financial statements, and 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, and for the design, implementation, and maintenance of internal control to prevent and detect fraud. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud. We also acknowledge our responsibility for providing you with all relevant information and access.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

For purposes of disclosure in this letter, individual matters related to financial amounts and disclosures should be considered material if they are in excess of $800,000. However, materiality limits do not apply to representations that are not directly related to amounts included in the financial statements or to any item regarding fraud by management or employees who have significant roles in internal control.

We confirm, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves, as of the date of this letter, the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 29, 2024, for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.

2. We are unaware of any violations of U.S. GAAP in the School District's accounting principles and the practices and methods followed in applying them.

a. The School District does not have any component units.
b. No joint ventures or related organizations exist that require recording or disclosure.
c. The accounts of the School District are maintained in accordance with accounting policies prescribed by the State of Michigan, Department of Education Financial Accounting for Michigan School Districts (Bulletin 1022 revised).

d. All funds and activities have been properly classified in accordance with GASB Statement No. 34, 54, and related Statements.

e. The School District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and appropriately disclosed and that net position is properly recognized under the policy.

f. The School District is following either its established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available or is following paragraph 18 of GASB Statement No. 54 to determine the fund balance classifications for financial reporting purposes.

g. All funds that meet the quantitative criteria in GASB Statement No. 34 for presentation as major are identified and presented as such.

h. Capital assets are properly capitalized, reported, and depreciated. The school district does not have material infrastructure assets.

i. Investments, derivative instrument transactions, and land and other real estate held by endowments are properly valued.

j. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.

k. Revenues are appropriately classified in the statement of activities as either program revenues or general revenues.

l. Interfund, internal, and intra-entity activity and balances are appropriately classified and reported.

m. Deposits and investment securities are properly classified and disclosed in the Deposit and Investment footnote(s) in accordance with GASB Statement No. 40 and GASB Statement No. 72.

3. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.

4. There have been no changes during the year in the School District's accounting principles and practices or in the methods of applying them.

5. We have disclosed to you all known actual or possible litigation, claims, and unasserted claims or assessments whose effects should be considered when preparing the financial statements. The effects of these have been accounted for and disclosed in accordance with U.S. GAAP.

6. The School District has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, and fund balance.

7. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in financial reporting practices.

8. There are no:

a. Related party transactions and related amounts receivable or payable, including sales, purchases, loans, transfers, leasing agreements, guarantees, and pledges of the School District's assets as collateral, and amounts receivable from or payable to related parties, including the provision of products or services without charge.

b. Guarantees and pledges of the School District's assets as collateral, whether written or oral, under which the School District is contingently liable.

c. Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances.

d. Lines of credit or similar arrangements.

e. Agreements to repurchase assets previously sold.

f. Financial instruments with off-balance sheet risk.

g. Violations or possible violations of laws or regulations whose effect should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.

h. Circumstances that we are aware of that make it reasonably possible that the School District would be named a responsible party in the remediation of environmental contamination.

i. Asset retirement obligations required to be recorded or disclosed within the financial statements, in accordance with GASB Statement No. 83.

j. Other material liabilities or loss contingencies for which the risk that the School District will suffer a loss in excess of $800,000 is more than remote.

9. The methods, data, and significant assumptions used by us in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in the context of U.S. GAAP.

10. Adequate provision has been made to cover possible losses that may result from:

a. Collection of receivables

b. Obsolete inventory

c. Purchase and sales commitments

d. Permanent declines in the value of investments

e. Impairments of long-lived assets

11. The School District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

12. All significant contracts and contracts not in the normal course of business entered into by the School District have been presented to you for your evaluation. Additionally, we have complied with all aspects of debt and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

13. The School District has no deferred compensation plans or share based compensation plans sponsored by the School District, or any related party.

14. The adoption, approval, and amendments of budgets have been done in accordance with state law. The Board of Education has adopted budgets for the following funds: General Fund, Debt Service, Building and Site Projects, 2018 Building and Site Projects, 2020 Building and Site Projects, 2023 Building and Site Projects, Nutritional Services, and Student Activities Fund.

15. All significant estimates and material concentrations, as hereinafter defined, known to us have been disclosed to you. Significant estimates are those estimates used in the development of accounting information that could change materially within the next year. Material concentrations refer to concentrations in the volume of business, revenue sources, the sources of supply, and markets in which we operate, that make us vulnerable to events that could occur within the next year that would have a significant disruptive effect on the School District.

16. Required supplementary information (RSI) has been measured and presented within prescribed guidelines. Methods of measurement or presentation of the RSI have not changed from those used in the prior period.

17. Management has received assistance from you, the auditors in the drafting of the financial statements and related notes. We acknowledge that we have assumed responsibility for the preparation of these statements, have designated individual, Kimberly Pincheck, with suitable skill, knowledge, and experience to oversee this preparation, have evaluated the adequacy and results of these services performed and have accepted responsibility for the results of these services.

18. Management has reviewed, approved, and taken responsibility for proposed audit adjustments and adjustments to present governmental activities on a full accrual basis, including approving the appropriate account classification. Management understands the nature of the proposed entities and the impact the entries have on the financial statements.

19. Related to your audit of our federal awards:

    a. Management is responsible for complying, and has complied, with the requirements of Title 2 U.S. Code of Federal Regulations Part 200,*Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance") except as disclosed to the auditor.

    b. In regard to the Schedule of Expenditures of Federal Awards (SEFA):

        1) Management is responsible for and has accurately prepared the SEFA in accordance with the Uniform Guidance, including its form and content, which includes expenditures made during the period being audited for all awards provided by federal agencies in the form of grants, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance.

        2) The methods of measurement or presentation have not changed from those used in the prior period.

        3) There were no significant assumptions or interpretations underlying the measurement or presentation of the SEFA.

        4) Management will make the audited financial statement readily available to all intended users of the SEFA no later than the issuance date by the entity of the SEFA and the auditor's report thereon.

    c. Management is responsible for, and has accurately prepared:

        1) The summary schedule of prior audit findings, which includes all findings, required to be included by the Uniform Guidance, if applicable.

        2) The appropriate sections of the data collection form.

    d. Management is responsible for understanding and complying with the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of its federal programs.

    e. Management is responsible for the design, implementation, and maintenance of and has designed, implemented, and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that the auditee is administering federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal award that could have a material effect on its federal programs.

    f. Management has identified and disclosed to the auditor the requirements of federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major program.

    g. Management has made available all documentation related to the compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.

    h. Management’s interpretations of any compliance requirements that have varying interpretations have been provided.

    i. Management has identified and disclosed all of its programs and related activities subject to Uniform Guidance.

    j. Management has provided:

1) Access to all information, of which management is aware that is relevant to the preparation and fair presentation of the SEFA, such as all contracts and grant agreements (including amendments, if any) and any other correspondence relevant to the programs and related activities subject to audit.

2) Access to information relevant to disclosure.

3) Additional information that the auditor has requested from management for the purpose of the audit.

4) Unrestricted access to persons within the entity from whom the auditor determined it necessary to obtain audit evidence.

k. Management has made available all federal awards (including amendments, if any) and any other correspondence relevant to federal programs and related activities that have taken place with federal agencies or pass-through entities.

l. Management has identified and disclosed to the auditor all amounts questioned and all known noncompliance with direct and material compliance requirements of federal awards, including those identified in other audits or reviews or stated that there was no such noncompliance.

m. Management has disclosed to the auditor any communications from grantors and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.

n. Management has disclosed to the auditor the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken, including all management decision, both throughout the audit period as well as from the end of the period covered by the compliance audit to the date of the auditor's report.

o. Management has complied with the applicable compliance requirements in connection with federal awards. In addition, management has disclosed all known instances of noncompliance or suspected noncompliance, if any, occurring subsequent to the period for which compliance is audited.

p. Management identified and disclosed to the auditor violations (or possible violations) of laws, regulations, and provisions of contracts and grant agreements, or questioned costs whose effects should be considered for disclosure in the financial statements, as a basis for recording a loss contingency or for the auditor reporting on noncompliance.

q. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the basic financial statements have been prepared and are prepared on a basis consistent with that presented in the schedule of expenditures of federal awards. The copies of federal program financial reports provided to the auditor are true copies of the reports submitted, or electronically transmitted, to the federal agency or pass-through entity, as applicable.

r. Management has charged costs to federal awards in accordance with applicable cost principles.

s. Management has accepted responsibility for the preparation of the applicable sections of the data collection form (DCF), the adequacy and completeness of the DCF, and has designated an individual with appropriate skills, knowledge, or experience to review the final DCF.

t. Management acknowledges its responsibility for taking corrective action on audit findings of the compliance audit.

u. Management has a process to track the status of audit findings and recommendations.

v. Management has reviewed the reporting package, including the auditors' reported findings and determined that the reporting package contains no personally identifiable information.

w. Related to awards provided to its subrecipients, if any, management has:

1) Monitored subrecipients to determine that they have expended subawards in compliance with federal statutes, regulations, and the terms and conditions of the subaward and have met the other pass-through entity requirements of the Uniform Guidance.

2) Issued management decisions for audit findings that relate to federal awards it makes to subrecipients, and such management decision is issued within six months of acceptance of the audit report by the Federal Audit Clearinghouse. Additionally, management has followed up, ensuring that the subrecipient takes timely and appropriate action on all deficiencies detected through audits, on-site reviews, and other means that pertain to the federal award provided to the subrecipient from the pass-through entity.

3) Considered the results of subrecipient audits and has made any necessary adjustments to their own books and records.

x. If applicable, management has disclosed all contracts or other agreements with the service organizations and all communications from the service organization relating to noncompliance at the service organization.

y. Management has disclosed whether any changes in internal control over compliance or other factors that might significantly affect internal control, including any corrective action taken by management with regard to significant deficiencies (including material weaknesses), have occurred subsequent to the date as of which compliance is audited.

z. Management has disclosed the nature of any subsequent events that provide additional evidence with respect to conditions that existed at the end of the reporting period that affect noncompliance during the reporting period.

Information Provided

1. We have provided you with:

   a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.

   b. Additional information that you have requested from us for the purpose of the audit.

   c. Unrestricted access to persons within the School District from whom you determined it necessary to obtain audit evidence.

   d. Minutes of meetings of the legislative body held to the date of this letter, or summaries of actions of recent meetings for which minutes have not yet been prepared.

2. All material transactions have been recorded in the accounting records and are reflected in the financial statements.

3. We have no knowledge of any fraud or suspected fraud that affects the School District and involves:

   a. Management;

   b. Employees who have significant roles in internal control; or

   c. Others when the fraud could have a material effect on the financial statements.

4. We have no knowledge of any allegations of fraud, or suspected fraud, affecting the School District's financial statements communicated by employees, former employees, analysts, regulators, or others.

5. We have disclosed to you all known instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing the financial statements.

6. We have disclosed the identity of all the School District's related parties of which we are aware.

7. We have disclosed to you all significant assumptions or interpretations underlying the measurement or presentation of the RSI and SI.

8. Management will make the audited financial statement readily available to the intended users of the supplementary information no later than the date of issuance of the supplementary information and the auditor's report thereon.

9. All borrowings are in accordance with the State of Michigan requirements.

10. The ISD audited pupil counts for the School District for the February and October, 2024 counts are 8,927 and 9,031 respectively and have been reported to the State of Michigan Department of Education (MDE) as required. These counts are accurate and determined in accordance with applicable laws, regulations, and MDE policy.

11. The School District has transferred certain risks to third-party insurance carriers and shared-risk insurance pools and the financial statements reflect assessments or other liabilities, if any, related to these transactions. The School District also retains the risk for certain insurance liabilities and any liabilities related to such risks are properly reflected in the financial statements.

12. We have provided you with all information you deemed necessary to identify affiliates of the School District for which you must maintain independence.

13. If we publish our financial statements in any manner that includes your auditor's report or any other reference to Plante & Moran, PLLC, it is understood that we will allow you to review such publication prior to production.

_____

Dr. Kelly Coffin, Interim Superintendent

_____

Jennifer F. Kaminski, Assistant Superintendent

_____

Kimberly Pincheck, Finance Director

plante moran | Audit. Tax. Consulting. Wealth Management.

Farmington Public School District

Board presentation | Year ended June 30, 2024

Farmington Public School District

Key Audit Highlights:

- 2023-2024 Audit Results
  - Basic Financial Statements - Unmodified Opinion with no deficiencies noted
  - Federal Programs audit – Unmodified Opinion with no findings or questioned costs noted
- Uniform Budgeting Act – record of no violations
- Federal COVID-19 grant funding – Non-recurring
- Restricted Retirement funding – Additional funding flow-through
- Awarded 2023 Certificate of Excellence in Financial Reporting award from Association of School Business Officials International

Required Communications

Plante Moran issued an unmodified "clean" opinion on the audited financial statements

Financial statements are the responsibility of management

Plante Moran is responsible for rendering an opinion on the audited financial statements

Audit completed in accordance with auditing standards generally accepted in the United States of America

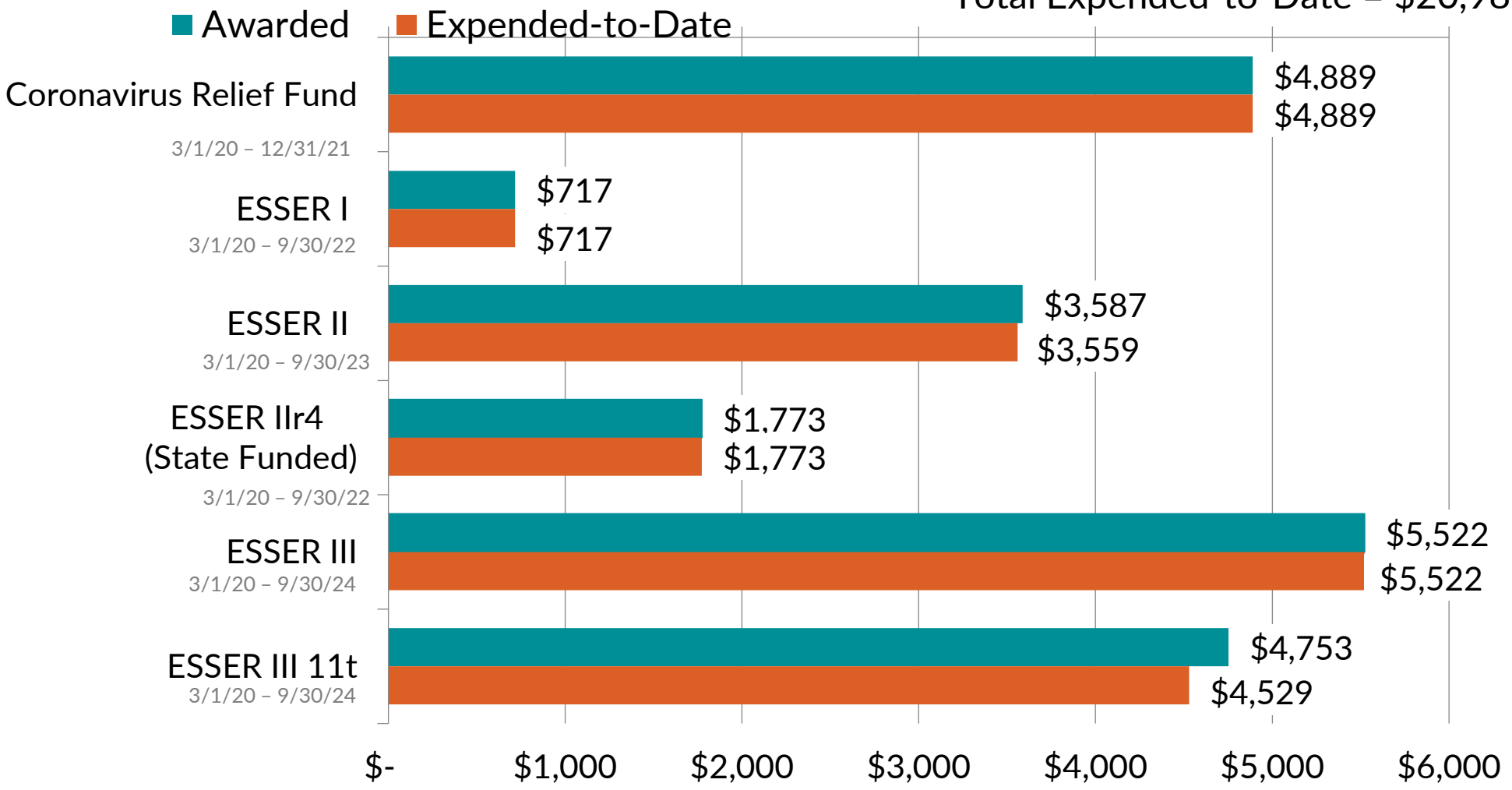
Required Communications

Other Matters

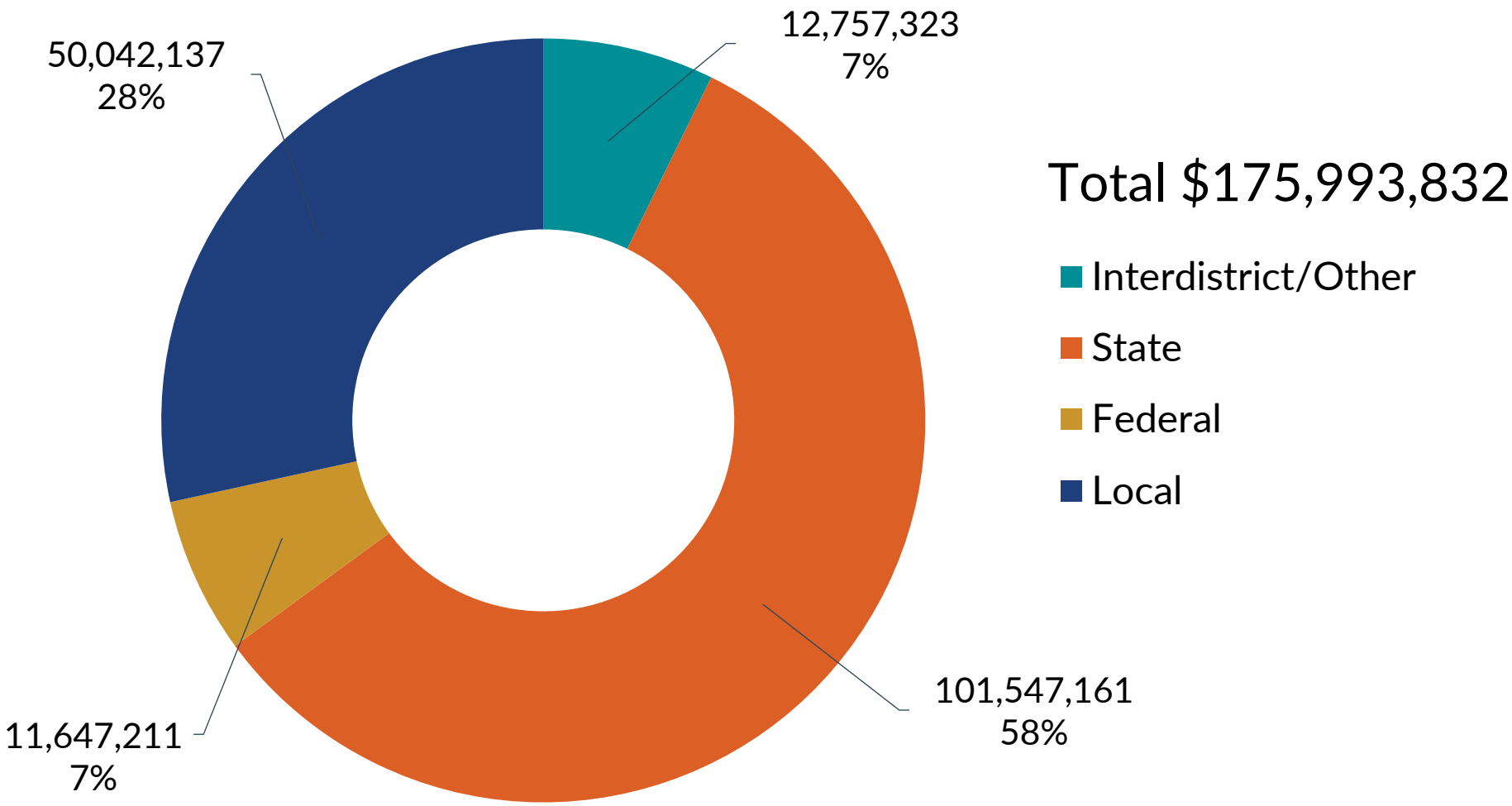
- No Difficulties Encountered in Performing the Audit
- No Disagreements with Management
- No Audit Adjustments
- No Uncorrected Adjustments
- No Material Weaknesses or Significant Deficiencies

Non-recurring COVID-19 Relief Funding Awards & Expenditures as of June 30, 2024
(in thousands)

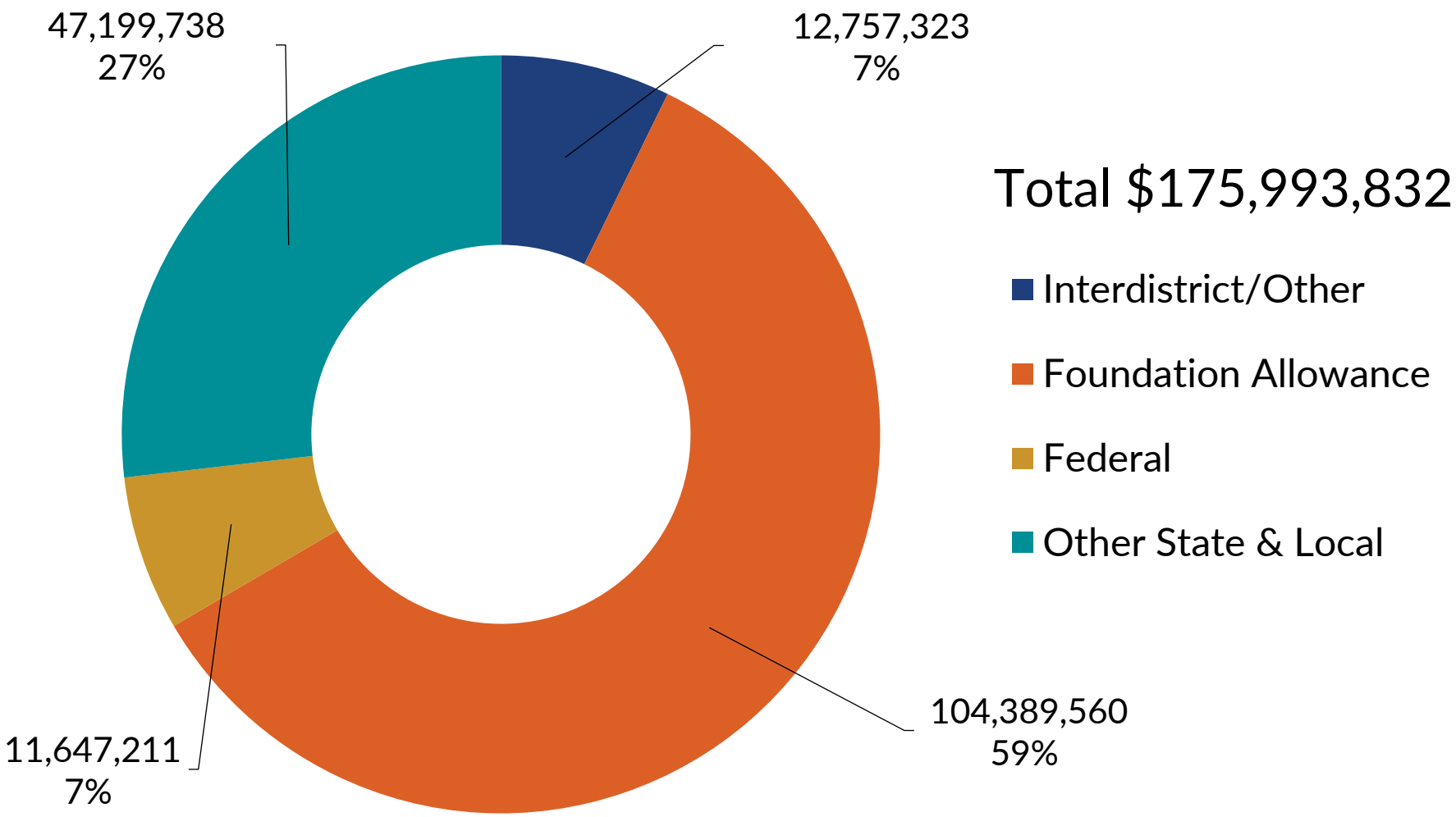
Total Awarded = $21,241
Total Expended-to-Date = $20,989



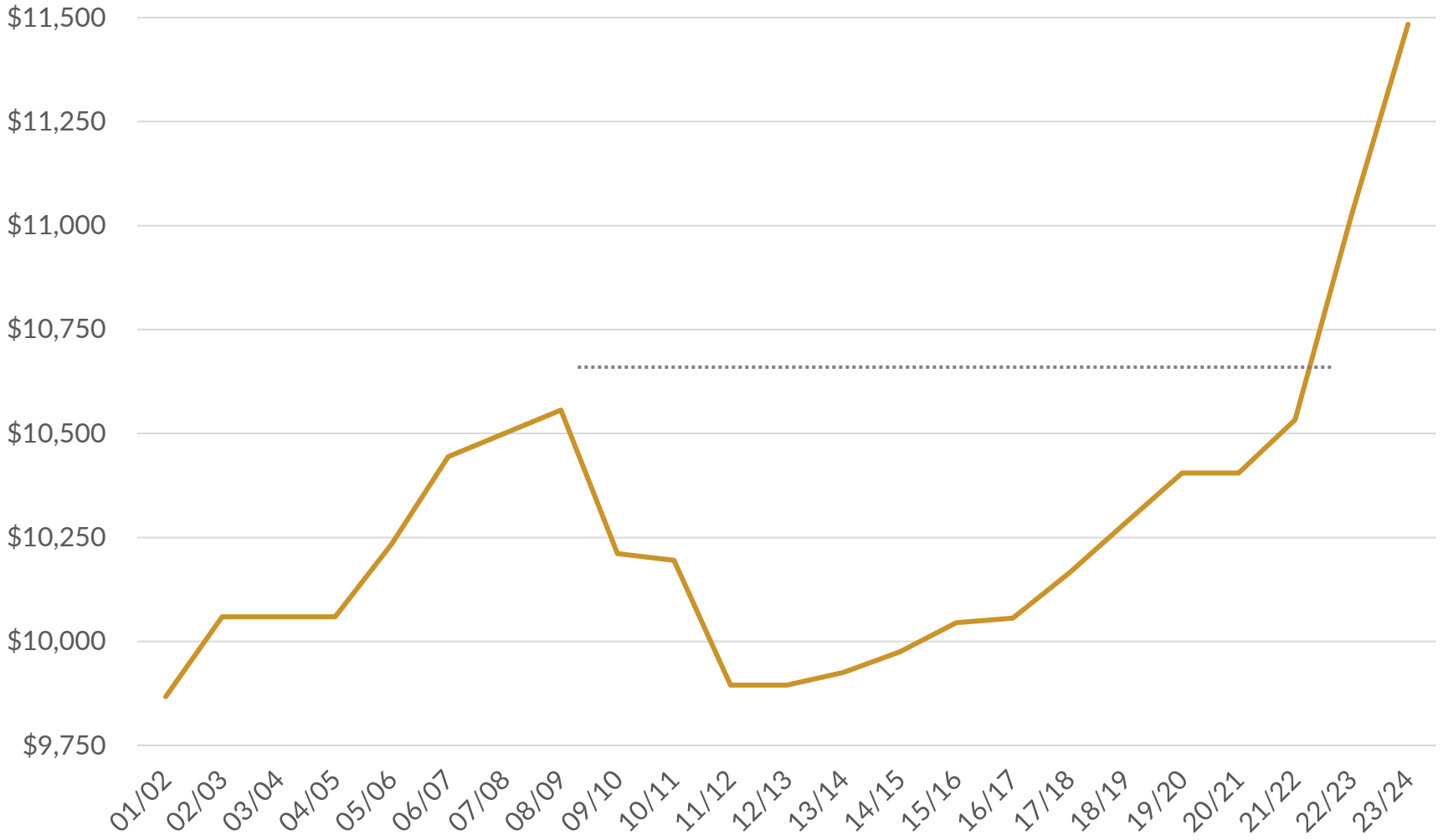
General Fund Revenue and Other Sources



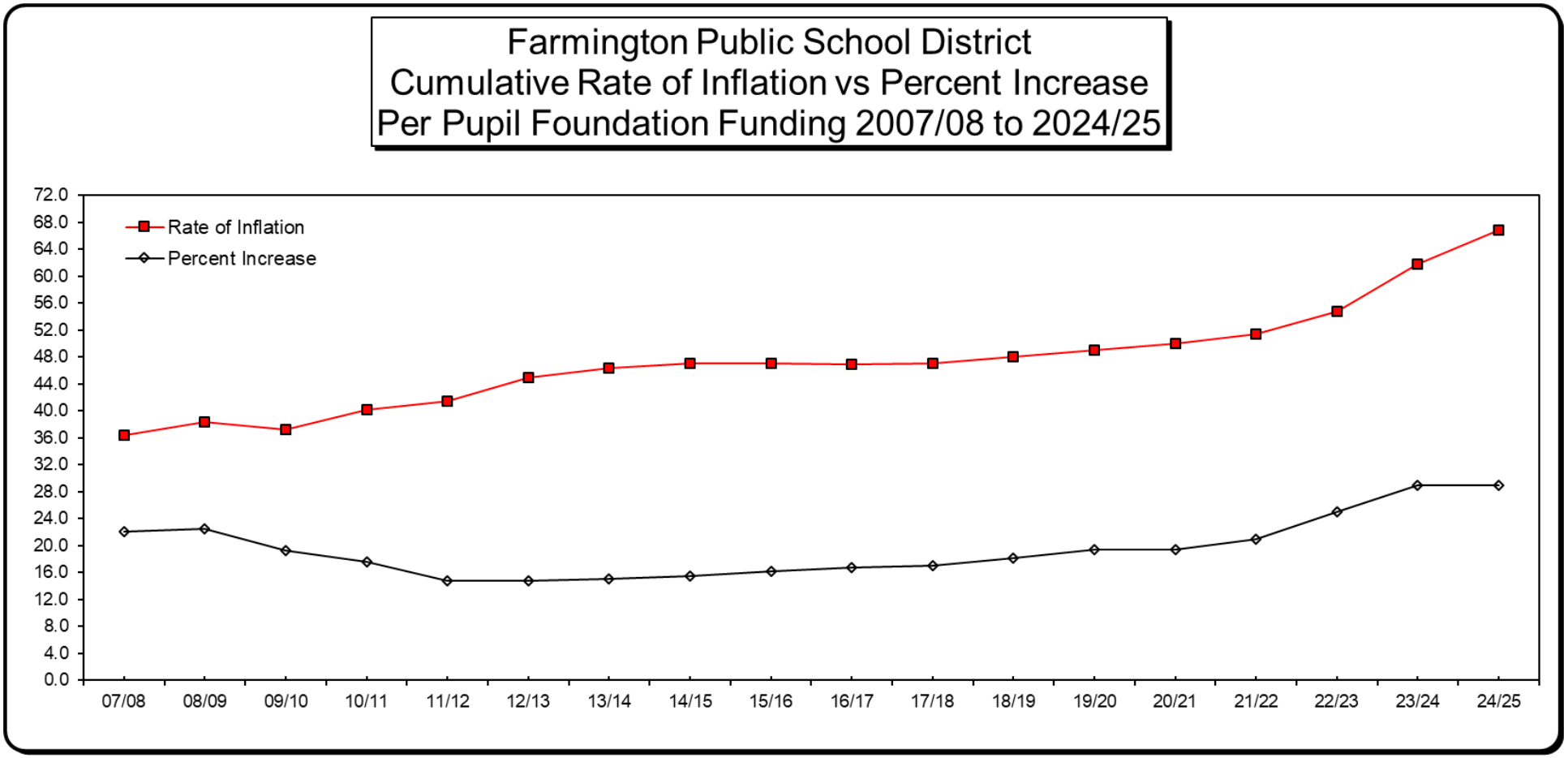
General Fund Revenue – Foundation Allowance



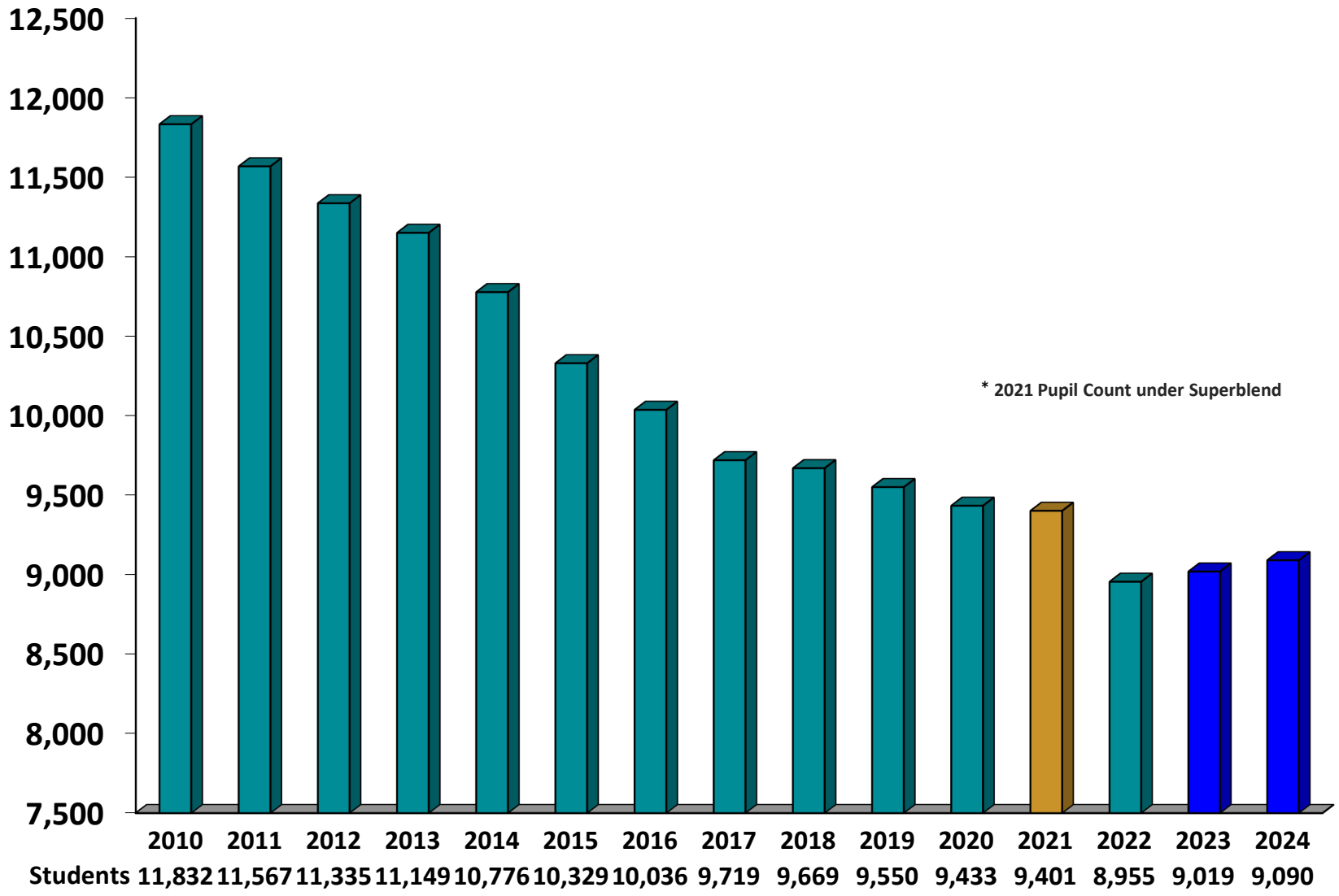
Foundation Allowance History



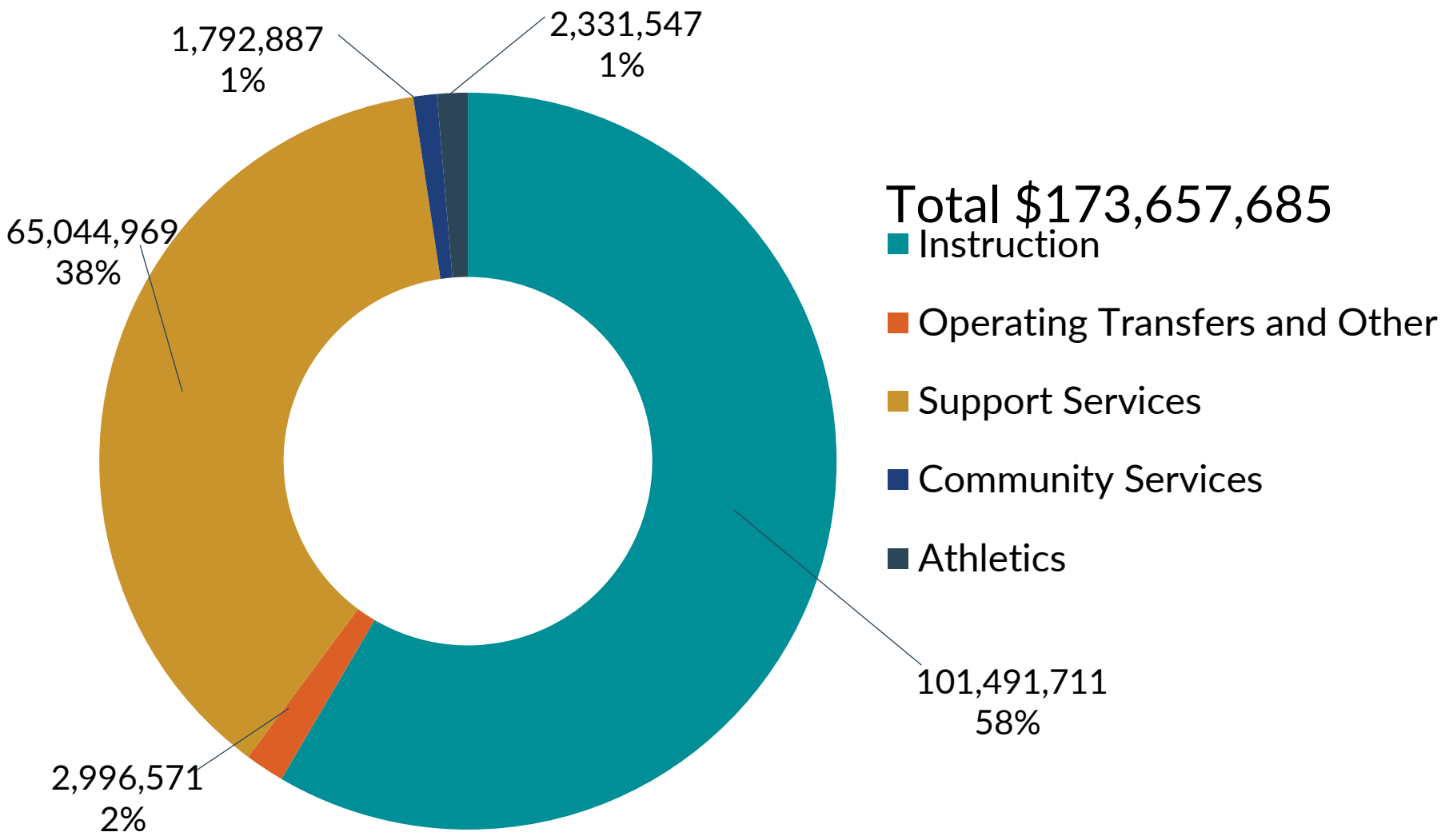
Cumulative Rate of Inflation and Cumulative Per Pupil Funding



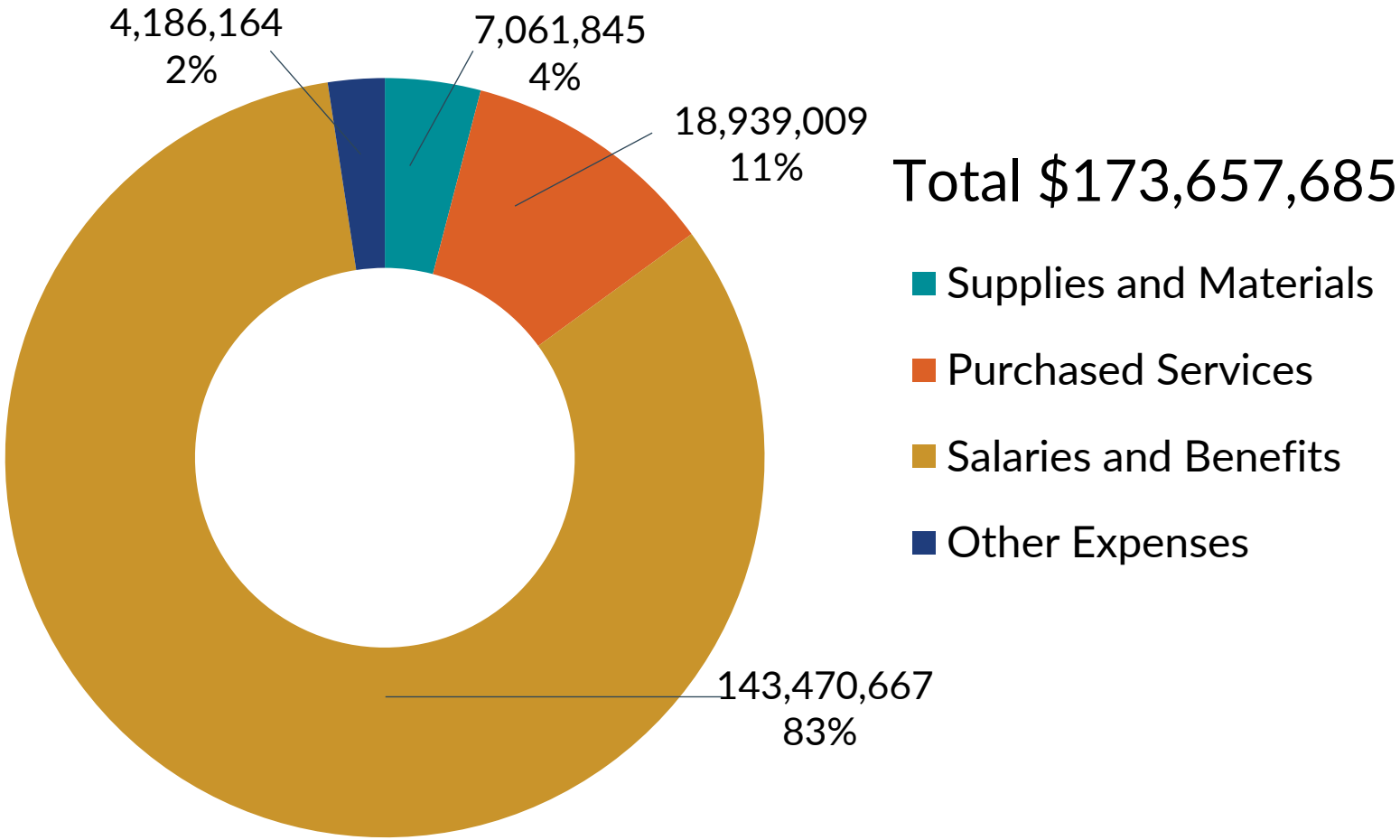
Blended Student Population



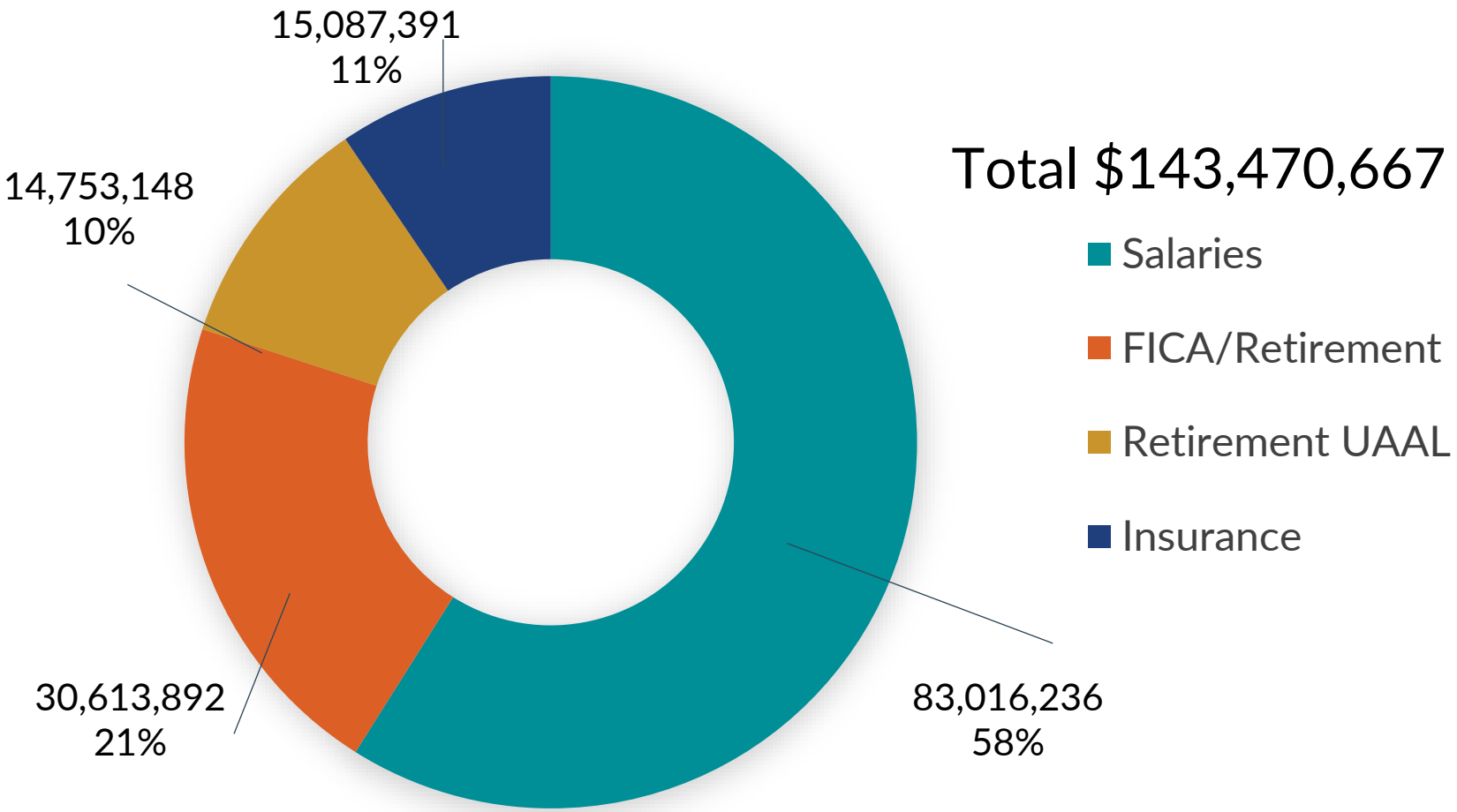
General Fund Expenditures and Other Uses



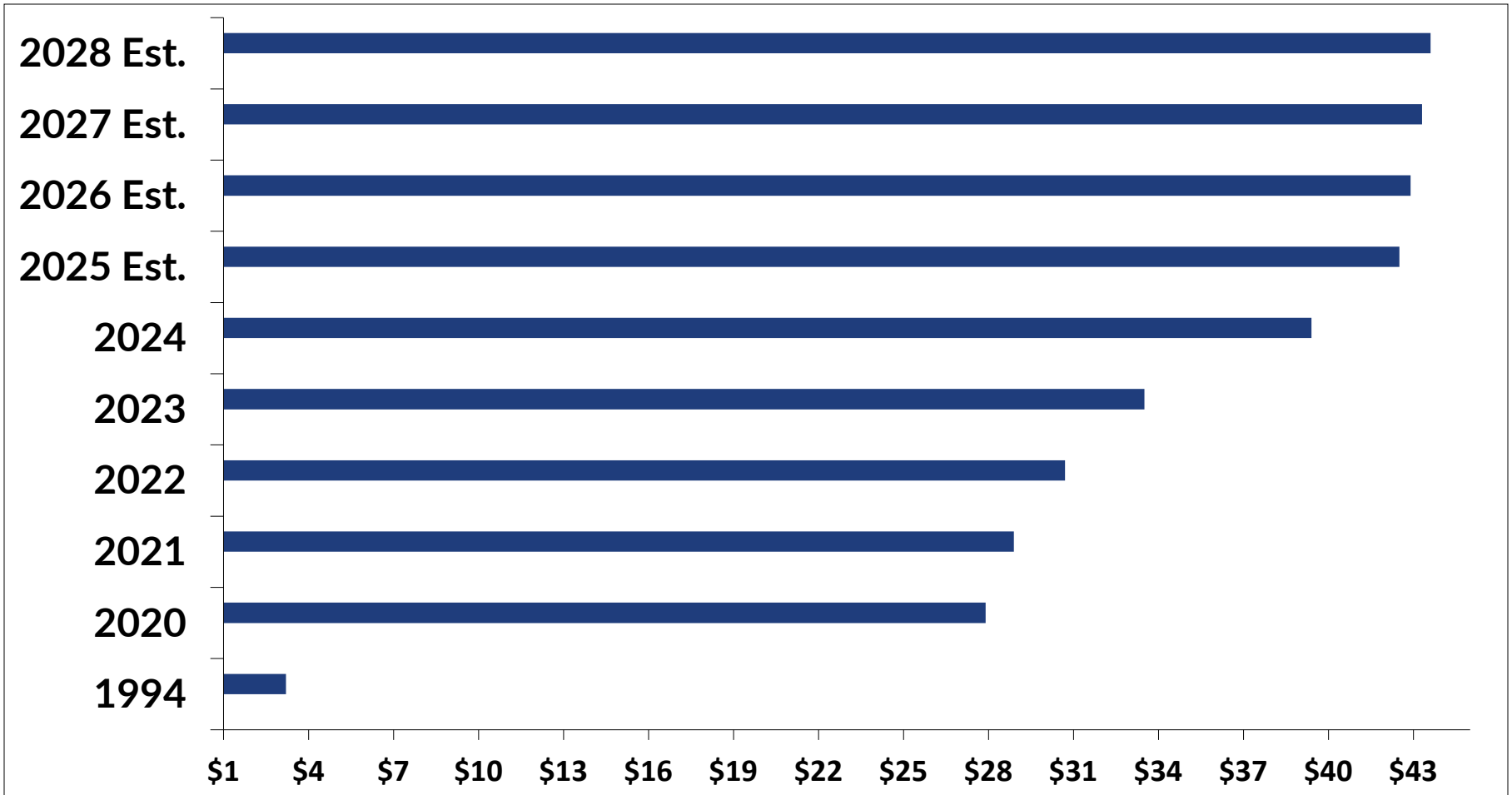
Analysis of General Fund Expenditures and Other Uses



Analysis of General Fund Expenditures and Other Uses – Salaries and Benefits



Retirement Funding Expense
Michigan Public School Employee Retirement System



	1994	2020	2021	2022	2023	2024	2025 Est.	2026 Est.	2027 Est.	2028 Est.
Retirement	$3.2	$27.9	$28.9	$30.7	$33.5	$39.4	$42.5	$42.9	$43.3	$43.6
Retirement Rate	5.00%	39.60%	40.60%	42.50%	44.90%	47.50%	48.00%	48.50%	49.00%	49.50%

General Fund Fund Balance versus State Averages

	FPS	State Average as of June 30, 2023
Total Fund Balance/Expenditures	**22.65%**	**21.86%**
Less: Nonspendable, Restricted, Committed and Assigned Fund Balance	**(9.04%)**	
Unassigned Fund Balance for future funding shortfalls and working capital	**13.61%**	
Equivalent Days Based on "shortfalls and working capital" designation:		
180-day School Year	**26.7 Days**	

Importance of Fund Balance

- Minimize need to borrow to meet cash flow, average monthly payroll is approximately $11.1 million
- Prevents operating in a deficit
- Flexibility in adjusting spending during the school year (many unknowns)
- Helps with maintaining credit ratings
- Needed funds for reimbursable federal expenditures
- MSBO recommends fund balance at 15% of total expenditures
- GFOA recommends no less than two months of operating expenditures (~ 16-17%)
- FPS Board Approved Fund Balance Target is 10 – 15%

Thank you.

For more information contact:

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Senior Manager
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Farmington Public School District

Federal Awards Supplemental Information

June 30, 2024

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Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

To the Board of Education
Farmington Public School District

We have audited the financial statements of the governmental activities, the major funds, and the aggregate remaining fund information of Farmington Public School District (the "School District") as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the School District's basic financial statements. We issued our report thereon dated October 18, 2024, which contained an unmodified opinion on the financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. We have not performed any procedures with respect to the audited financial statements subsequent to October 18, 2024.

The accompanying schedule of expenditures of federal awards and the reconciliation of basic financial statements federal revenue with schedule of expenditures of federal awards are presented for the purpose of additional analysis, as required by the Uniform Guidance, and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and the reconciliation of basic financial statements federal revenue with schedule of expenditures of federal awards are fairly stated in all material respects in relation to the financial statements as a whole.

Plante & Moran, PLLC

October 18, 2024

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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

To Management and the Board of Education
Farmington Public School District

We have audited, 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, the basic financial statements of the governmental activities, the major funds, and the aggregate remaining fund information of Farmington Public School District (the "School District") as of and for the year ended June 30, 2024 and the related notes to the basic financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated October 18, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the School District's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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To Management and the Board of Education
Farmington Public School District

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Plante & Moran, PLLC

October 18, 2024

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Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

Independent Auditor's Report

To the Board of Education
Farmington Public School District

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Farmington Public School District's (the "School District") compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the School District's major federal programs for the year ended June 30, 2024. The School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the School District and to meet our other ethical responsibilities in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the School District's federal programs.

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Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

To the Board of Education
Farmington Public School District

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Plante & Moran, PLLC

October 18, 2024

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

Federal Agency/Pass-through Agency/Program Title	Pass-through Entity Identifying Number	Assistance Listing Number	Award Amount	(Memo Only) Prior Year Expenditures	Accrued (Deferred) Revenue at July 1, 2023	Adjustments and Transfers	Federal Funds/ Payments In-kind Received	Federal Expenditures	Accrued (Deferred) Revenue at June 30, 2024	Current Year Cash Transferred to Subrecipients
Clusters:										
Child Nutrition Cluster - U.S. Department of Agriculture -										
Passed through the Michigan Department of Education:										
Noncash assistance (commodities):										
National Lunch Program Entitlement Commodities 2023-24	N/A	10.555	$ 270,094	$ -	$ -	$ -	$ 270,094	$ 270,094	$ -	$ -
National Lunch Program Bonus Commodities 2023-24	N/A	10.555	953	-	-	-	953	953	-	-
Noncash assistance (commodities)			271,047	-	-	-	271,047	271,047	-	-
Cash Assistance:										
School Breakfast Program	231970	10.553	335,001	280,608	16,922	-	71,315	54,393	-	-
School Breakfast Program	241970	10.553	445,037	-	-	-	426,537	445,037	18,500	-
National School Breakfast Program			780,038	280,608	16,922	-	497,852	499,430	18,500	-
National School Lunch Program	231960	10.555	1,398,366	1,217,808	69,362	-	249,920	180,558	-	-
National School Lunch Program	241960	10.555	1,266,197	-	-	-	1,221,308	1,266,197	44,889	-
National School Lunch Program - Supply Chain Assistance	240910	10.555	217,948	-	-	-	217,948	217,948	-	-
National School Lunch Program (incl. commodities)			3,153,558	1,217,808	69,362	-	1,960,223	1,935,750	44,889	-
Summer Food Service Program for Children (SFSPC) -										
Extended Summer Food Service Program 2022-2023	230900	10.559	3,601	-	-	-	3,601	3,601	-	-
Total Child Nutrition Cluster			3,937,197	1,498,416	86,284	-	2,461,676	2,438,781	63,389	-
Special Education Cluster - U.S. Department of Education -										
Special Education Grants to States - Passed through the Oakland County ISD:										
IDEA Flowthrough:										
IDEA Flowthrough 2022	220450	84.027	2,126,826	2,122,074	38,704	-	38,704	-	-	-
IDEA Flowthrough 2023	230450	84.027	2,212,570	2,180,068	503,615	-	503,615	-	-	-
IDEA Flowthrough 2024	240450	84.027	2,449,420	-	-	-	1,812,253	2,449,420	637,167	-
COVID-19 American Recovery Plan 2021-22 - IDEA	221280	84.027X	479,503	477,917	9,216	-	10,802	1,586	-	-
Total IDEA Flowthrough		84.027	7,268,319	4,780,059	551,535	-	2,365,374	2,451,006	637,167	-
Special Education Preschool:										
IDEA Preschool 2022	220460	84.173	99,100	99,100	1,962	-	1,962	-	-	-
IDEA Preschool 2023	230460	84.173	113,052	109,190	32,652	-	32,652	-	-	-
IDEA Preschool 2024	240460	84.173	113,973	-	-	-	77,616	113,973	36,357	-
COVID-19 American Recovery Plan 2021-22 - IDEA Preschool	221285	84.173X	57,280	55,826	13,256	-	14,710	1,454	-	-
Total Preschool Incentive		84.173	383,405	264,116	47,870	-	126,940	115,427	36,357	-
Total Special Education Cluster			7,651,724	5,044,175	599,405	-	2,492,314	2,566,433	673,524	-

See notes to schedule of expenditures of federal awards.

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2024

Federal Agency/Pass-through Agency/Program Title	Pass-through Entity Identifying Number	Assistance Listing Number	Award Amount	(Memo Only) Prior Year Expenditures	Accrued (Deferred) Revenue at July 1, 2023	Adjustments and Transfers	Federal Funds/ Payments In-kind Received	Federal Expenditures	Accrued (Deferred) Revenue at June 30, 2024	Current Year Cash Transferred to Subrecipients
Clusters (continued):										
Medicaid Cluster - Michigan Department of Community Health - Medical Assistance Program - Passed through the Oakland County ISD - Medicaid Outreach 2023-2024	2023AOP	93.778	$ 51,925	$ -	$ -	$ -	$ 51,925	$ 51,925	$ -	$ -
Head Start Cluster - U.S. Department of Health and Human Services - Passed through the Oakland Livingston Human Services Agency:										
January 1, 2023 - December 31, 2023	05SCH011937	93.600	746,490	341,776	131,930	-	536,644	404,714	-	-
January 1, 2024 - December 31, 2024	05CH011937-001	93.600	746,490	-	-	-	319,696	374,005	54,309	-
Total Head Start Cluster			1,492,980	341,776	131,930	-	856,340	778,719	54,309	-
Other federal awards:										
U.S. Department of Agriculture - Passed through the Michigan Department of Education:										
Local Food for Schools	230985	10.185	33,081	17,479	17,479	-	17,479	-	-	-
Child and Adult Care Food Program:										
Child and Adult Care Food Program - 2022-23	231920	10.558	1,370	-	-	-	1,370	1,370	-	-
Child and Adult Care Food Program - 2023-24	241920	10.558	12,047	-	-	-	12,047	12,047	-	-
Total Child and Adult Care Food Program			13,417	-	-	-	13,417	13,417	-	-
Total U.S. Department of Agriculture passed through Michigan Department of Education			46,498	17,479	17,479	-	30,896	13,417	-	-
U.S. Department of Education - Passed through the Michigan Department of Education:										
Adult Education - Basic Grants to States:										
Project number 2023 - ABE Federal Instruction	231130	84.002	79,267	74,253	3,177	-	3,177	-	-	-
Project number 2023 - English Literacy Civics - Federal IELCE	231120	84.002	39,277	24,915	1,296	-	1,296	-	-	-
Project number 2024 - ABE Federal Instruction	241130	84.002	81,175	-	-	-	20,318	23,023	2,705	-
Project number 2024 - English Literacy Civics - Federal IELCE	241120	84.002	39,257	-	-	-	20,981	22,502	1,521	-
Total Federal Adult Educatior			238,976	99,168	4,473	-	45,772	45,525	4,226	-
Title I Grants to Local Education Agencies:										
Title I Part A 2223	231530	84.010	900,657	600,959	85,709	-	156,092	70,383	-	-
Title I Technical Assistance Grant (TAG)	231580	84.010	20,000	-	-	-	12,346	12,346	-	-
Title I Part A 2324	241530	84.010	851,565	-	-	-	547,266	633,131	85,865	-
Total Title I Part A			1,772,222	600,959	85,709	-	715,704	715,860	85,865	-

See notes to schedule of expenditures of federal awards.

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2024

Federal Agency/Pass-through Agency/Program Title	Pass-through Entity Identifying Number	Assistance Listing Number	Award Amount	(Memo Only) Prior Year Expenditures	Accrued (Deferred) Revenue at July 1, 2023	Adjustments and Transfers	Federal Funds/ Payments In-kind Received	Federal Expenditures	Accrued (Deferred) Revenue at June 30, 2024	Current Year Cash Transferred to Subrecipients
Other federal awards (continued):										
U.S. Department of Education - Passed through the Michigan Department of Education (continued):										
Title II Part A - Supporting Effective Instruction State Grants:										
Title II Part A 2023	230520	84.367	$ 337,070	$ 170,696	$ 30,683	$ -	$ 35,501	$ 4,818	$ -	$ -
Title II Part A 2024	240520	84.367	344,488	-	-	-	150,131	184,431	34,300	-
Total Title II Part A			681,558	170,696	30,683	-	185,632	189,249	34,300	-
Title III - English Language Acquisition State Grants:										
Title III 2023 Limited English	230580	84.365	228,417	112,662	26,398	-	43,837	17,439	-	-
Title III 2023 Immigrant Students	230570	84.365	77,055	14,418	4,544	-	8,368	3,824	-	-
Title III 2024 Limited English	240580	84.365	237,966	-	-	-	87,666	139,771	52,105	-
Title III 2024 Immigrant Students	240570	84.365	90,240	-	-	-	708	15,284	14,576	-
Total Limited English Proficiency Title III			633,678	127,080	30,942	-	140,579	176,318	66,681	-
Title IV Part A - Student Support & Academic Enrichment Program:										
Title IV Part A 2023	230750	84.424	89,442	38,381	6,594	-	10,675	4,081	-	-
Title IV Part A 2024	240750	84.424	104,513	-	-	-	39,649	63,897	24,248	-
Total Title IV Part A			193,955	38,381	6,594	-	50,324	67,978	24,248	-
Education Stabilization Fund Program:										
U.S. Department of Education - Passed through the Michigan Department of Education:										
COVID-19 ESSER II - Summer Programming K-8	213722	84.425D	836,550	659,007	34,299	-	211,842	177,543	-	-
COVID-19 ESSER II - Section 23b Credit Recovery	213742	84.425D	219,450	155,695	8,171	-	71,925	63,754	-	-
COVID-19 ESSER II - Section 98c Learning Loss	213782	84.425D	463,081	308,579	308,579	-	463,081	154,502	-	-
COVID-19 ESSER III American Recovery Plan	213713	84.425U	5,522,136	2,760,167	423,303	-	2,596,824	2,761,968	588,447	-
COVID-19 ESSER III MV American Rescue Plan Homeless Education II	211012	84.425W	51,218	-	-	-	6,976	15,011	8,035	-
COVID-19 ESSER III Section 11t Equalization Allocaitons	213723	84.425U	4,753,201	924,017	153,569	-	3,155,399	3,605,113	603,283	-
Total Education Stabilization Fund (ESF)			11,845,636	4,807,465	927,921	-	6,506,047	6,777,891	1,199,765	-
U.S. Department of Education - Passed through Oakland ISD										
Special Education - Grants for Infants and Families:										
IDEA Early On Home Support 2023	21S082 - 22-23	84.181a	150,283	62,055	19,859	-	55,769	35,910	-	-
IDEA Early On Home Support 2024	21S082 - 23-24	84.181a	95,511	-	-	-	-	58,292	58,292	-
Total IDEA Early On			245,794	62,055	19,859	-	55,769	94,202	58,292	-
Total U.S. Department of Education noncluster programs			15,611,819	5,905,804	1,106,181	-	7,699,827	8,067,023	1,473,377	-
U.S. Department of the Treasury - Passed through Oakland ISD -										
COVID-19 Coronavirus State Fiscal Recovery Fund (Oakland City Mental Health)	N/A	21.027	175,000	8,690	(166,310)	-	-	141,996	(24,314)	-
Total federal awards			**$ 28,967,143**	**$ 12,816,340**	**$ 1,774,969**	**$ -**	**$ 13,592,978**	**$ 14,058,294**	**$ 2,240,285**	**$ -**

See notes to schedule of expenditures of federal awards.

Reconciliation of Basic Financial Statements Federal Revenue with Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

Revenue from federal sources - As reported on financial statements (includes all funds)	$	14,099,409
IDEA proportionate share being reported through Oakland County Intermediate School District		(41,115)
Federal expenditures per the schedule of expenditures of federal awards	**$**	**14,058,294**

See notes to schedule of expenditures of federal awards.

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Farmington Public School District (the "School District") under programs of the federal government for the year ended June 30, 2024. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the School District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the School District.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported in the Schedule are reported on the same of accounting as the basic financial statements. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award*s, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The pass-through entity identifying numbers are presented where available.

The School District has elected not to use the 10 percent *de minimis* indirect cost rate to recover indirect costs, as allowed under the Uniform Guidance.

Note 3 - Grant Auditor Report

Management has utilized the Michigan Department of Education NexSys Grant Auditor Report (GAR) in preparing the schedule of expenditures of federal awards. Differences, if any, between the GAR and the schedule of expenditures of federal awards relate to the timing of payments and the fiscal year to which the payments relate.

Note 4 - Noncash Assistance

The value of the noncash assistance received was determined in accordance with the provisions of the Uniform Guidance and is reported on the schedule of expenditures of federal awards.

Schedule of Findings and Questioned Costs

Year Ended June 30, 2024

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified			
Internal control over financial reporting:				
• Material weakness(es) identified?	_____	Yes	X	No
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____	Yes	X	None reported
Noncompliance material to financial statements noted?	_____	Yes	X	None reported

Federal Awards

Internal control over major programs:				
• Material weakness(es) identified?	_____	Yes	X	No
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____	Yes	X	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified			
Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)?	_____	Yes	X	No

Identification of major programs:

Assistance Listing Number	Name of Federal Program or Cluster
84.425D, 84.425U, 84.425W	Education Stabilization Fund
93.600	Head Start Cluster

Dollar threshold used to distinguish between type A and type B programs:	$750,000			
Auditee qualified as low-risk auditee?	X	Yes	_____	No

Section II - Financial Statement Audit Findings

Reference Number	Finding
Current Year	None

Section III - Federal Program Audit Findings

Reference Number	Finding	Questioned Costs
Current Year	None	

Farmington Public School District

Report to the Board of Education

June 30, 2024

Plante & Moran, PLLC
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To the Board of Education
Farmington Public School District

We have recently completed our audit of the basic financial statements of Farmington Public School District (the "School District") as of and for the year ended June 30, 2024. In addition to our audit report, we are providing the following results of the audit, other recommendations and observations, and informational items that impact the School District:

	Page
Results of the Audit	1-4
Other Recommendations and Observations	5-6
Informational Items	7-18

We are grateful for the opportunity to be of service to Farmington Public School District. We would also like to extend our thanks to Ms. Jennifer Kaminski, Ms. Kim Pincheck, Ms. Karla Swanson, Mr. Clinton Randall, and the entire business office for their assistance and preparedness during the audit. We recognize that preparing for the audit is carried out in addition to your staff's normal daily activities. Should you have any questions regarding the comments in this report, please do not hesitate to call.

Plante & Moran, PLLC

October 18, 2024

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Results of the Audit

plante moran

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October 18, 2024

To the Board of Education
Farmington Public School District

We have audited the financial statements of Farmington Public School District (the "School District") as of and for the year ended June 30, 2024 and have issued our report thereon dated October 18, 2024. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility Under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated May 29, 2024, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities. Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement.

As part of our audit, we considered the internal control of the School District. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Our audit of the School District's financial statements has also been conducted in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States. Under *Government Auditing Standards*, we are obligated to communicate certain matters that come to our attention related to our audit to those responsible for the governance of the School District, including compliance with certain provisions of laws, regulations, contracts, and grant agreements; certain instances of error or fraud; illegal acts applicable to government agencies; and significant deficiencies in internal control that we identify during our audit. Toward this end, we issued a separate letter dated October 18, 2024 regarding our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our meeting about planning matters on August 6, 2024.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the School District are described in Note 2 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during fiscal year 2024.

We noted no transactions entered into by the School District during the year for which there is a lack of authoritative guidance or consensus.

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We noted no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the financial statements were the School District's share of the MPSERS net liability for the pension and net asset for the other postemployment benefit (OPEB) plans recorded on the government-wide statements related to GASB Statement Nos. 68 and 75, respectively. The School District's estimates as of June 30, 2024 were a liability of $243,341,052 and an asset of $4,242,533 for the pension and OPEB plans, respectively, based on data received from the Office of Retirement Services. We evaluated the key factors and assumptions used to develop the accounting estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in performing and completing our audit.

Disagreements with Management

For the purpose of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We did not detect any misstatements as a result of audit procedures.

Significant Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, business conditions affecting the School, and business plans and strategies that may affect the risks of material misstatement, with management each year prior to our retention as the School District's auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition of our retention.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 18, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a second opinion on certain situations. If a consultation involves application of an accounting principle to the School District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Information Included in Annual Reports

Our responsibility for other information included in annual reports does not extend beyond the financial statements, and we do not express an opinion or any form of assurance on the other information. However, we read the introductory section and the statistical tables, and nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially misstated or materially inconsistent with the information or manner of its presentation appearing in the financial statements.

This information is intended solely for the use of the Board of Education and management of the School District and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Plante & Moran, PLLC

Jeffrey C. Higgins, CPA
Partner

Other Recommendations and Observations

Food Service Fund - Fund Balance

We noted that the fund balance of the Food Service Fund continues to exceed the U.S. Department of Agriculture's maximum allowance of three months' worth of operating expenditures. The School District should continue to monitor its spenddown plan, entered into with the Michigan Department of Education, for reducing the balance to an acceptable level.

Informational Items

Managing the Changing Financial Resources Landscape

As fiscal year 2024/2025 kicks off, the school funding landscape is changing. Since 2020, the School District has faced a continuously changing environment. The pandemic created significant uncertainty, followed by a significant infusion of federal resources, and ultimately a stable and growing fiscal platform for the state budget. As new resources were added, new challenges were created to effectively plan, develop, deliver, evaluate, and account for the programs and services. Beginning with the 2024/2025 school aid budget, we have observed a change in the budget strategy. Projections suggest a slowing growth pattern for the School Aid Fund. For the first time in several years, the governor and Legislature were faced with difficult choices regarding what initiatives to fund or cut and where to modify funding levels, including the evaluation of initiatives that were borne out of the pandemic. While overall the School Aid Fund is as large as it ever has been, the ability to spread the funding to all desired initiatives is no longer realistic and school districts will have to monitor how funding changes will impact educational initiatives.

We understand the unique challenges school districts face within the changing funding landscape. We continue to work closely with state and federal decision-makers to both understand the changes and provide insight into potential implications. As a strategic partner and advocate for public education, we continue to meet with decision-makers before actions are finalized so that these groups can be well informed of the implications their actions will have on the students, your business office, and your financial statements. Our work continues with federal and state agencies as new or revised accounting and compliance guidance is developed so we can help school districts be better equipped to manage the new rules and requirements. As guidance is updated and opportunities are identified, we will continue to provide updates to aid the School District in managing changes and navigating complexities. We understand that the last several years have required substantial extra effort by the Board of Education, administration, teachers, and support staff to bring the School District through one of the most extraordinary times in education. We also understand that the work is not done, and we appreciate the opportunity to work side by side with your team during this next chapter.

School Funding - School Aid in Depth

The 2023/2024 fiscal year began the process of exiting the pandemic-related funding environment. Funding continued to include significant state-sourced increases, significant new education investments, and some significant one-time resources. While the 2023/2024 School Aid Fund suggested state fiscal sustainability, the 2024/2025 School Aid Fund estimates suggested the School Aid Fund is moving toward slower growth rates. As a result, while the 2023/2024 budget provided significant new resources for education, the development of the 2024/2025 school aid budget required more creativity. This comes at a time when federal pandemic-related funding ends at September 30, 2024 with the conclusion of the federal ESSER programs.

2023/2024 State Funding: The May 2023 Consensus Revenue Estimating Conference identified availability of significant new resources. This allowed the State to continue to make investments in education, shore up funding for long-standing programs, make investments where new needs were identified, and respond to the changing financial structure as federal pandemic-related funding begins to come to a close. Key highlights impacting the School District's funding for 2023/2024 included the following:

- **Foundation Allowance**: Increased the target foundation allowance by $458 per pupil to $9,608, a 5 percent increase. Hold harmless school districts also received the $458 per pupil increase. Cyber schools did not receive an increase and continued at $9,150.

- **Pupil Count**: Continued the traditional blended pupil count methodology, with 90 percent weighting for the October 2023 count and 10 percent weighting for the February 2023 count. However, for declining enrollment districts, a provision was added to use a two-year blended count to slow the impact of the decline on current year revenue. A district qualified if its 2023 final membership count was lower than the 2022 final membership count. In this case, a school district received additional funding through Section 29.

- **Special Education**: Special education funding is now fully treated as categorical and is not using foundation allowance amounts to supplement its required payments under the Headlee Amendment. In 2023/2024, special education funding provided by the State was provided from Section 51 of the State Aid Act. In the past, a portion of the funding was provided from Section 20, where the foundation allowance is determined.

- **MPSERS Cost for 2023/2024**: The basic structure continued, including cost support provided by the School Aid Fund. For 2024, the overall contribution rate increased to 48 percent of payroll from 45 percent, with the net cost to the School District increasing from 28 percent up to approximately 31 percent. For the first time in several years, the net cost to the School District increased in fiscal year 2023/2024.

- **GSRP**: Increased funding for the Great Start Readiness Program (GSRP) improved by funding reimbursement at the same level as the target foundation allowance and increasing the income limits, which increased the number of families eligible to participate. These steps align with the goal of ultimately making preschool available to all in Michigan.

- **At-Risk**: Increased funding for Section 31a/At-Risk programs and used an opportunity index to better weight funding based on need

- **School Meals**: Section 30d provided universal free breakfast and lunch for the 2023/2024 fiscal year with the intention of continuing the program. The 2024/2025 School Aid Fund amendments continued funding for the program. The program is state funded and did not replace the federal Child Nutrition Cluster.

- **Transportation**: Additional transportation funding provided using a formula based upon riders per square mile

- **Mental Health and School Safety**: Additional one-time funding infusion for student mental health and school safety services

- **Student Loan Repayment**: One-time allocation for a student loan repayment program for districts to repay loans of employees who work directly with students. Note, this funding was not put into the system until late in the school year, creating some challenges in revenue recognition at June 30, 2024.

- **Retirement**: Increased allocation for contributions to the retirement system to reduce its long-term cost

- **ISD Operations**: Intermediate school district (ISD) operations allocation increased by 5 percent to mirror the increase in the foundation allowance.

2024/2025 State Funding: As the 2023/2024 school year was coming to a close, the May 2024 Consensus Revenue Estimating Conference predicted that there will be sufficient resources for current programs but suggested that the revenue growth in the School Aid Fund will continue at a slower pace than the previous two years. As a practical matter, the conference conclusions suggest the funding growth will mirror more closely the pre-pandemic growth levels. As schools entered the 2024/2025 fiscal year, the School Aid Bill was completed and signed into law. The bill provided for some funding increases and resources to fund new initiatives agreed to by the governor and Legislature. It also reduced the allocation for some one-time categoricals. It increased resources provided for retirement, and it did not provide a foundation allowance increase. Instead, the analysis of the bill indicates that the modifications, primarily with retirement funding, free up about $400 per pupil for each district to spend on operations. Based on the mechanics of the School Aid Bill, not every district will realize a full $400 benefit. Some key highlights of the School Aid Bill include the following:

- The target foundation allowance stays at $9,608 per pupil for public schools. Public school academies received a 3.9 percent increase in their target foundation, estimated at $9,983. The increase was due to the fact most academies do not participate in the MPSERS and are funded using a separate categorical.

- Funding continues for declining enrollment districts to smooth the impact of resulting revenue decline.

- For 2024/2025, the State's obligation under the Headlee Amendment will continue to be funded from the special education allocation within the school aid budget. Previously, a portion of that obligation was paid from the School District's foundation allowance allocation.

- Revisions to amounts provided in Section 147 (MPSERS categoricals) to increase funding for retirement. The increase in resources essentially replaces an increase in the foundation allowance. By reducing the net cost of the retirement contribution, the School District will have more resources to invest in ongoing operations. Notably, the revision to the funding strategy was crafted when the bill was in conference committee. Prior to the conference report, each version of the bill provided for an increase in the foundation allowance ranging from $217 to $302 per pupil.

- The MPSERS OPEB and pension funding has been the focus of School Aid Fund discussions for many budget cycles. For years, the OPEB plan was underfunded and had a very large net liability (referred to as the "UAAL"). The current issue focuses on OPEB, which is now considered fully funded, meaning that the plan now has sufficient assets to cover accrued health benefits for current and former employees' past services. State funding provides a contribution to districts to cover the UAAL costs, which is about $669 million, statewide, for the historical OPEB UAAL. The 2024/2025 School Aid Bill redirects $598 million of the savings back to the School District. This will be funded through a categorical, 147a4, and will represent approximately 5.75 percent of MPSERS-related payroll.

- GSRP receives an increase in funding and provides for more families to be eligible for free preschool. Now, families who are less than four times the federal poverty level will be eligible for free service.

- At-risk funding is now over $1 billion. Revisions to the program include new flexibility provisions to reduce teacher-student ratio and support retention and recruitment efforts.

- Categoricals continuing without substantive change include, but are not limited to, the following: Transportation, Future Educator Fellowship, Student Teacher Stipend, and ISD Operations support.

- Many smaller categoricals were eliminated or had reduced funding. However, the most significant funding reduction was for mental health and school safety. Since this program was considered a one-time program, it was not considered a cut; however, districts that built programming around this funding will need to determine if other sources can be used to fund the programs.

- Special Education Services: In 2023/2024, use of the foundation allowance to contribute to the State's support of special education ceased, and the State's contribution to support special education is paid entirely from a categorical allocation. These changes in the funding formula will have the effect of providing more state support to cover the cost of special education operations. The implication to the School District will be that more funds will be freed up to support other general education activities. The actual amount of the shift varies by district and requires some analysis. This funding methodology continued for 2024/2025.

Many of these initiatives have their roots in the education issues encountered during the pandemic, along with the desire to continue to address the recommendations first identified in the Michigan School Finance Collaborative, which outlined priorities for responding to education needs. Careful planning to effectively leverage these funding sources, along with managing programs initiated during the pandemic, will be critical for school districts throughout the 2024/2025 school year.

Looking Forward to 2025 and Beyond

The May 2024 Consensus Revenue Estimating Conference provided a look into 2025, 2026, and 2027. Essentially, the conclusion from the conference indicates the expected funding levels are beginning to level off. The key implication is that it is unlikely that the School Aid Fund will be able to provide the same growth in resources available to public schools as we move into the future. Given that, in the last few years, several categoricals were added to the funding scheme, as well as significant increases to the foundation allowance, the revenue estimates suggest that funding modifications may be required. Since many of the added categoricals were labeled as one-time categoricals, it appears that these programs may be most at risk of adjustment in the future. For 2024/2025, we have already seen such an adjustment for mental health and school safety, where the funding levels were significantly reduced. We have also seen that there was no foundation allowance increase provided for 2024/2025. Instead, modifications were made to retirement funding, which essentially provided about $400 per pupil of freed-up resources for districts to fund their operations. Key themes that continue to be areas of emphasis when evaluating future spending decisions include the following:

- **Federal Pandemic Resources**: The last major funding source is ARP ESSER III. It was funded as part of the Education Stabilization Fund and sunset on September 30, 2024. Some of the funding may have been used by the School District to fund recurring costs of operations. This date, referred to as the funding cliff, will require each district to evaluate its budget strategy to determine if resources supported recurring operations, and what resources will be available to fund continuing operations once the funds are depleted. The School District will need to closely evaluate the impact of the sunset of the ESSER funds on future budgets.

- **Sustainability of Initiatives from 2023/2024**: There were several initiatives included in the 2023/2024 amendments to the State Aid Act. Revenue projections continued to show significant growth, creating room to fund recent and new initiatives. Many of the initiatives result from common themes, including the pandemic, mental health concerns of students and staff, addressing the teacher shortage, school security, continuing investment in preschool, vocational/career training, beginning to focus on educational infrastructure investment, meeting the special education funding requirements with categorical funds, and providing free meals to all students (new Section 30d). Many of these initiatives were carried forward and continued in the 2024/2025 amendments to the State Aid Act, but some were not due to resource constraints. The biggest example is the reduction in previously labeled one-time funding for mental health and school safety. Each initiative required assessment and planning by individual school districts. With new resources comes new responsibility to determine the most effective way to leverage these funds for the benefit of the students, staff, and the School District. The same challenges exist as districts assess the content of the 2024/2025 amendments to the State Aid Act.

- **Pupil Count Trends**: During the pandemic, most public schools across Michigan experienced a decline in enrollment. Statewide enrollment has historically been slightly under 1.5 million students. Prior to the pandemic, annual enrollment figures were declining annually at about 10,000 students per year. However, during the pandemic, statewide enrollment decreased in excess of 50,000 students. As part of the Consensus Revenue Estimating Conference process, total enrollment is tracked and estimated. A key consideration in the projections continues to be to what extent the 50,000 student reduction will recover. Current data suggests that some portion returned as the rate of decline slowed, but enrollment will not recover to pre-pandemic levels. While this data is important statewide, it is very important at the local district level. Since the foundation allowance is computed on a per pupil basis, a stable and predictable enrollment will have a substantial impact on the financial picture. As a practical example, on average, it takes about 10 students to fully fund a teacher position. As districts continue to operate in the post-pandemic period, continued focus on recruiting and retaining students and families will be essential to improving student enrollment.

The key lesson from the 2024/2025 budget cycle is that, since resources provided in the School Aid Fund are projected to return to a pace similar to pre-pandemic levels, the governor and Legislature will once again be forced to make difficult choices in deciding how to fund programs. In turn, school districts will be required to adjust to changes in funding priorities and ultimately how resources will be used for local district operations. Some of those challenges include the following:

- The impact of a recession on school funding, if it were to occur
- Fully utilizing the ESSER III allocation and how it will impact recurring operations once funding ends
- Staff retention and recruitment, including use of novel approaches, some of which are funded by state categoricals, for as long as they are in place
- Continued efforts at attracting and retaining students to the School District
- Pupil count trends and projections for school districts and school buildings to better plan staffing, infrastructure, and operational needs
- Evaluating programs addressing learning loss, including funding of programs once pandemic-related funding is concluded
- Planning for potentially expanded preschool services funded under an expanded GSRP, including identification and equipping of facilities
- Assessing food service operations as entering the second year of the new state-funded free breakfast and lunch program
- Potential staffing cost increases
- Operating cost increases resulting from inflation
- Technology cost increases and access to technology learning tools
- Costs for school security and mental health services, especially with the reduction in funding in 2024/2025
- Identifying, recruiting, and retaining staff to provide mental health and school security services
- Cost trends for the retirement system and the extent to which state support is used from the School Aid Fund

The next Consensus Revenue Estimating Conference will occur in January 2025. As districts move into the 2024/2025 school year, they will need to carefully plan for how best to use current resources as well as begin to plan for potential adjustments going forward as state funding growth begins to slow.

Michigan School Meals

Beginning in the 2023/2024 school year and continuing for 2024/2025, a free breakfast and lunch is available to all students in Michigan schools. This program, initiated with the 2023/2024 amendments to the State Aid Act, provides state-funded meals to all students who do not qualify for a free meal under the National School Lunch and National School Breakfast programs. For 2023/2024, the School District received $2,283,296 in state funding under Section 30d for this program. The revenue supports the Food Service Fund and replaces the revenue previously received from student-paid meals. As a result of the program, most schools saw an increase in meals served to students. Some key observations include the following:

- Participation is not automatic. Districts apply using the Coordinated Application in the State's NexSys system.
- For a district to be eligible to participate, it must do the following:
  - Be a public school, charter school, or intermediate school district
  - Participate in the National School Lunch Program
  - Serve breakfast and lunch
  - Serve all meals at no cost to pre-K through 12th grade students
  - Adopt Community Eligibility Provision (CEP) to maximize federal reimbursement. Note that not all schools qualify for this provision under the federal program. If a district qualifies, the meals will be funded using that federal program, and the state program is not needed.
  - Collect relevant family income information
  - Write off all outstanding student negative balances
- The program works alongside and supplements the current federal National School Lunch and National School Breakfast programs and does not replace them.
- Districts will need to track and claim meals served similar to what is done for the federal programs.
- As noted above, districts must eliminate negative student account balances. In doing so, the Food Service Fund is not allowed to absorb the write-off. That removal requires funding from sources outside the Food Service Fund. The MDE provides guidance for how this should be accomplished.
- Many school districts are experiencing an increase in fund balance in the Food Service Fund beyond the state limitations for this fund. School districts will need to monitor and ensure that there is a spenddown plan that strategizes utilizing the fund balance for allowable costs.

With this approach to access to school meals, the potential for continued high participation rates is likely. Many districts saw increased demand on food service operations, including staffing levels, timing of meals, cafeteria seating, menu planning, and food orders in 2023/2024. As districts move into 2024/2025, it is likely there is a clearer expectation of the level of student participation and its impact on food operations. Using that information, schools should be better equipped to plan for effective food service operations.

Michigan Public School Employees' Retirement System (MPSERS) - Update on the Plans' Net Pension Liability and OPEB Asset

Similar to the State of Michigan, the MPSERS plan has a September 30 year end. With the adoption of GASB Statement Nos. 68 and 75 several years ago, school districts have been reporting their share of the MPSERS plan funded status in the government-wide financial statements.

At September 30, 2023, the pension portion of the MPSERS plan for the State of Michigan had a net pension liability of approximately $32.4 billion. This is a decrease of approximately 15 percent from the reported amount of $37.9 billion on September 30, 2022. One of the primary reasons for the decrease in the net liability was the net investment returns. The pension plan's annual investment rate of return was 8.3 percent for the year ended September 30, 2023, compared to an investment loss of 4.8 percent for the year ended September 30, 2022.

At September 30, 2023, the retiree health care portion (OPEB) of the MPSERS plan had a net OPEB asset of approximately $566 million compared to the net OPEB liability of $2.1 billion at September 30, 2022. This year marks a significant milestone for the OPEB portion of the plan, flipping from a net liability to a net asset. One of the primary reasons for the decrease in the net liability was the net investment returns. The pension plan's annual investment rate of return was 8.3 percent for the year ended September 30, 2023, compared to an investment loss of 4.8 percent for the year ended September 30, 2022.

Fund Balance

Fund balance, particularly in the General Fund, is critically important to ensuring the financial health and stability of the School District. Having adequate fund balance allows the School District to navigate through and respond to unexpected losses or revenue shortfalls, such as emergency repairs or decline in funding. It ensures the School District can continue its operations smoothly without disruptions, even in times of financial uncertainty. A healthy fund balance can also improve the School District's credit rating, making it easier and less expensive to borrow money when needed. Overall, having a healthy fund balance allows for better long-term financial planning and budget flexibility to ensure the School District's resources are being utilized in the most effective manner possible. Given the changing landscape in state and federal funding over the past few years, fund balance will continue to garner more attention among board members and key stakeholders.

During the 2023/2024 school year, the School District's General Fund revenue exceeded expenditures by $2,336,147. This resulted in increasing the General Fund fund balance to $39,336,734 at June 30, 2024. Fund balance goals are often stated in terms of a percentage of total expenditures. As a point of reference, the statewide average for school districts at June 30, 2023 was approximately 21.86 percent of expenditures and outgoing transfers. Fund balance at the statewide average would approximately equal the School District's average operating costs for an 11-week period. The School District's fund balance percentage is 22.65 percent and equals approximately 12 weeks of operation.

Upcoming Accounting Pronouncements

There are several upcoming accounting pronouncements that will have an impact on future financial statements of the School District.

GASB Statement No. 101 - Compensated Absences

School districts have historically been required to account for certain types of accumulated employee leave time in their financial statements; however, the existing standards were written many years ago, and significant changes have occurred since then related to the various types of compensated absences that exist today. The GASB adopted a new pronouncement that addresses the accounting for compensated absences, which include vacation, sick, and other paid leave time. Under GASB 101, the School District will record a compensated absence liability in the full accrual financial statements for leave time that (1) is attributable to services already rendered, (2) accumulates, and (3) is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability is to be recorded each reporting period, in the full accrual statements only, using each employee's pay rate as of the date of the financial statements. The new standard also removes the historic requirement related to disclosing the gross additions and reductions to the compensated absence liability in the financial statements, and, instead, a school district can disclose only the net change during the year. The new standard also removes the previous requirement to disclose which funds are responsible for liquidating compensated absence liabilities as they are paid.

This statement is effective for the School District's year ending June 30, 2025. The School District should begin to review the requirements of this new pronouncement, as it may have an impact on how the School District accounts for its compensated absence liability, including the cumulative effects of the accounting change on net assets as of July 1, 2024. Adoption will require assessments of historical data, and management should ensure this data is readily available to formulate assumptions.

GASB Statement No. 102 - Certain Risk Disclosures

This standard establishes financial reporting requirements for risks related to vulnerabilities due to certain concentrations or constraints. For those meeting the definition in the standard, the School District will disclose the concentration or constraint, related events that could have a substantial impact, and actions taken to mitigate the risk. The School District will need to carefully review the definition of concentrations and constraints to properly identify those that may require disclosure. This new standard is effective for the School District's June 30, 2025 year end.

GASB Statement No. 103 - Financial Reporting Model Improvements

The objective of this standard is to make improvements to the financial reporting model, including Statement 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, and other reporting model-related pronouncements. A key change to this standard from the exposure draft is the removal related to the recognition in and the presentation of governmental funds. The standard's scope includes management's discussion and analysis (MD&A); proprietary fund financial statement presentation, particularly the operating/nonoperating classification; budgetary comparisons; major component unit information; and the presentation of unusual or infrequent items. This statement requires that the MD&A be limited to the five topics noted in the standard and provides further guidance on how the MD&A should be written. For proprietary fund financial reporting, the statement defines operating and nonoperating revenue and expense. It also requires a new subtotal for operating income (loss) and noncapital subsidies. The statement prescribes that the budgetary comparison be reported only in the required supplementary information section of the statements and dictates what variance information to be included. Next, the statement requires that major component unit information be presented separately in the statements of net position and activities, with a caveat for readability. Lastly, the statement describes unusual and infrequent transactions and outlines how they should be presented separately. This new standard will be effective for the School District's June 30, 2026 year end.

Michigan Department of Treasury - Numbered Letter 2023-1: Bonded Construction Fund and Sinking Fund Reporting Changes

Historically, school districts were required to comply with the Michigan Department of Treasury's (Treasury) Bulletin 7 and Numbered Letter 2004-4 as related to the audit and reporting requirements of a bond-funded construction fund and sinking funds. During 2023, Treasury released Numbered Letter 2023-1, which supersedes Bulletin 7 and Numbered Letter 2004-4. Plante & Moran, PLLC participated in reviewing and providing feedback on the new guidance throughout the process of drafting it. The new guidance goes into effect for sinking fund and bond compliance audits that are required to be reported for the June 30, 2024 reporting period. It is important for school districts to review these changes to ensure compliance with the new audit and reporting requirements. Some of the primary changes include the following:

- School districts will no longer submit financial information upon bond closeout to Treasury. Rather, Treasury will gather the data it needs from the annual audited financial statements that are already being submitted to the Department of Education. School districts will, however, need to submit an annual transmittal letter to Treasury that includes notification on status of the bond-funded Capital Projects Fund.

- The determination of the completion date has been simplified. The completion date will always be the June 30 immediately following the later of (1) the certificate of substantial completion or (2) 95 percent of the bond proceeds being spent. It will then be expected that the auditor completes its work in conjunction with the submission of the School District's audited financial statements.

- For bonds with multiple series, if the series being audited are for projects that were all approved by the electors at the same time, the activity for all series may be accounted for within one fund.

- The activity associated with any sinking fund levies renewed after May 7, 2023 should be accounted for in a capital projects fund that is separate from any remaining fund balance associated with levies authorized prior to May 7, 2023. This could potentially result in a situation where the School District may need to create a separate capital projects fund to account for activity associated with levies authorized after May 7, 2023 if the School District has not yet spent all of the fund balance associated with levies authorized prior to May 7, 2023.

We have been working with the administration to ensure it is familiar with the new requirements.

Bond Investment Earnings - Arbitrage Considerations

Arbitrage is not a new topic; however, in the current environment of raising interest rates, it is a topic that has recently received more attention. So, what is arbitrage? To summarize, arbitrage is the difference between the interest expense paid by the bond debt issuer (school district) and the earnings on the invested bond proceeds. School districts are tax-exempt organizations and, therefore, subject to federal arbitrage compliance rules. As a result, the School District may be limited to the amount of investment earnings that it is allowed to retain. The arbitrage calculations are quite complex, and generally the School District needs to work with its bond advisor to ensure this computation is completed on a recurring basis. Generally, at the five-year anniversary of the original bond sale, a computation is also completed and used to report to the federal government any investment earnings in excess of what is allowed to be retained and is generally due back to the federal government (Internal Revenue Service). The annual arbitrage calculations are also utilized to determine if the School District should report an arbitrage liability at June 30 in the full accrual set of financial statements. No amounts are recognized in the capital projects funds until the year of the final calculation. At June 30, the School District has unspent bond proceeds that are accruing investment earnings. The School District completed its analysis, and it was determined that there is an arbitrage liability in the amount of $1,324,452, and the School District has reported this as a liability in the government-wide statement of net position at June 30, 2024.

Inflation Reduction Act (IRA)

The Inflation Reduction Act was signed into law on August 16, 2022. Among other items, the IRA allocated $369 billion over the next 10 years to fund energy and climate projects in an attempt to reduce emissions by approximately 40 percent by 2030. One of the components of the IRA is the availability of a direct-payment option, in lieu of a nonrefundable tax credit, to tax-exempt entities, including governmental entities like the School District, to reimburse the entity for a portion of the cost of qualifying capital improvements. The IRA provides a new opportunity to tax-exempt entities to reduce the cost of eligible projects while also enhancing an organization's sustainability efforts and reducing carbon footprint. For school districts, capital expenditures that may qualify include the purchase of certain electric vehicles and the installation of equipment that generates renewable energy (such as solar panels). Many of the credits and incentives are available through 2032, offering a long-term runway for potential benefits. We will continue to keep the School District informed regarding future developments.

OMB Revisions to the Uniform Guidance

In April 2024, the Office of Management and Budget (OMB) released revisions to the Uniform Guidance (UG) for federal grants and agreements. The guidance clarifies the applicability of requirements and terminology and includes some relaxation and clarification of certain requirements that required prior approval from federal regulators. Changes to certain administrative requirements are effective for grants received on or after October 1, 2024. One key change to audit requirements relates to the increase of the single audit threshold from $750,000 to $1 million. The Type A threshold for federal programs also increases from $750,000 to $1 million. This change is effective for fiscal year ends starting on or after October 1, 2024 and, therefore, would be applicable for the School District's fiscal year ending June 30, 2026.

Capitalization Thresholds Under Uniform Grants Guidance

The April 2024 Uniform Grants Guidance Revision that is described above resulted in the equipment capitalization threshold increasing from $5,000 to $10,000. This threshold applies to the value of equipment that at the end of the grant period may be retained, sold, or otherwise disposed of with no further responsibility to the federal agency. In addition to considering this UG threshold related to federal grants compliance, it may be a good time for the School District to reevaluate the capitalization thresholds, understanding that there are various factors to consider. Ultimately, a school district will be required to track equipment purchases below $10,000 for grant compliance purposes if the School District's policy is set below this new federal floor.

Understanding and Managing Potential Cyber Threats

Education continues to be one of the top targets for ransomware attacks. Legislation referred to as the K-12 Cybersecurity Act of 2021 was signed into law in October 2021 in recognition of the significant risk to school districts. This legislation has led to actionable guidance for K-12 organizations to act upon in order to strengthen their cybersecurity posture. Many K-12 organizations struggle to find adequate resources in the form of human capital or budget to adequately protect their information systems and critical data or, even worse, understand the risks associated with their use. Below are a couple key considerations:

- Do you know where all of the various data resides in the school district? PII, FERPA, HIPAA, and credit card (PCI) data all have very specific security and annual attestation requirements.
- Is your organization ready for the inevitable cyberattack? Ensuring all stakeholders, not just IT, know their role in cyber incident response is imperative to an effective response.
- Are you taking advantage of grant and other funding opportunities? K-12s should ensure they are taking full advantage of available resources.

Having an external party perform an assessment on vulnerabilities may provide additional support to the IT team for initiatives it is implementing and provides peace of mind for the board that vulnerabilities have been assessed and addressed. If you are interested in discussing this further, we would be happy to continue the conversation and be a trusted advisor in your cyber journey.

Farmington PUBLIC SCHOOLS

Annual Comprehensive Financial Report

June 30, 2024

Farmington Public School District
Farmington, MI

Annual
Comprehensive Financial Report of
Farmington Public School District
33000 Freedom Rd
Farmington, Michigan 48336

For the Fiscal Year Ended
June 30, 2024

Dr. Kelly Coffin
Interim Superintendent of Schools

Board of Education

Terri A. Weems
President

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Vice President

Mable S. Fox
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Cynda Nelson, Secretary

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Cheryl B. Blau, Ph.D.
Trustee

Angie F. Smith
Trustee

David Turner, Ph.D.
Trustee

October 18, 2024

Citizens and Board Members:

The Annual Comprehensive Financial Report of Farmington Public School District (the "School District") for the fiscal year ended June 30, 2024 is submitted herewith. This report was prepared by the business department and contains all activities under the control of the Board of Education. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the School District. We believe that the data as presented is accurate in all material respects and is presented in a manner designed to fairly set forth the financial position and results of operations of the School District as measured by the financial activity of its various funds with all disclosures necessary to enable the reader to gain the maximum understanding of the School District's financial affairs.

Reporting Entity and Services

Farmington Public School District is an independent reporting entity established under the laws of the State of Michigan and governed by an elected, seven-member Board of Education and fully meets criteria established by the Governmental Accounting Standards Board (GASB). All funds of the School District are included in this report. The School District does not have component units.

The School District follows GASB Statement No. 34, a governmental reporting model. The financial section reports separately the governmental funds and the fiduciary fund administered by the board. In addition, the financial section includes the School District's government-wide financial statements.

Report Organization

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

Introductory Section

This section introduces the reader to Farmington Public School District and to this report. Included are facts about the School District, this transmittal letter, the School District's organizational chart, and the Association of School Business Officials International Certificate of Excellence in Financial Reporting for the year ended June 30, 2024.

Financial Section

The financial section includes the independent auditor's report on the financial statements and schedules, management's discussion and analysis, government-wide financial statements, the fund financial statements, notes to the financial statements, and required and other supplemental information.

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

The management's discussion and analysis, which includes an analysis of the School District's financial position and results of operations, government-wide financial statements, fund financial statements, and supplemental statements and schedules presented in the financial section of this report, present fairly and with full disclosure the financial position and results of the financial operation at the fund and government-wide levels in conformity with accounting principles generally accepted in the United States of America and demonstrate compliance with finance-related legal and contractual provisions. The management's discussion and analysis provides an overview and analysis of the School District's basic financial statements and should be read in conjunction with the financial statements.

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

The supplemental statements and schedules contain a more detailed analysis of revenue and expenditures that are compared to the 2023-2024 budget for the General Fund, as well as schedules presenting the School District's proportionate share of net pension liability and contribution information related to the MPSERS pension plan. Other supplemental information includes the balance sheet and statement of revenue, expenditures, and changes in fund balances as well as statements and schedules containing a more detailed analysis of revenue and expenditures that are compared to the 2023-2024 budget for nonmajor governmental funds as well as the schedule of bonded indebtedness detailing interest rates and annual maturities, schedule of fixed assets by building, and schedule of cash, cash equivalents, and investments.

Statistical Section

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

About Farmington Public School District

The Community

Farmington Public School District is a suburban school district located in the cities of Farmington and Farmington Hills and the Township of West Bloomfield, all within southern Oakland County, Michigan. The School District encompasses 28 square miles with a population of approximately 95,600. The entire City of Farmington and a majority of the City of Farmington Hills lies within the School District boundaries. A small portion of West Bloomfield Township is within the School District boundaries. The School District's 2021 median housing value for the cities of Farmington and Farmington Hills was $228,400 and $280,100, respectively. The median household income from survey data collected by the Cities of Farmington and Farmington Hills, respectively, was estimated at $84,558 and $93,434 in 2021, the latest census data available. Due to its proximity to I-696, Northwestern Highway, Grand River, I-96, and I-275, the School District has a significant commercial and industrial tax base to support community services and provide a strong economic climate.

Many nonprofit agencies within the area, including the Farmington Call to Action, Farmington/Farmington Hills Multi-Cultural/Multi-Racial Community Council, Neighborhood House, Farmington Youth Assistance, the Commission on Children, Youth and Families, and the Farmington Hills/Farmington Community Foundation work closely with the schools and cities to improve the quality of life for Farmington residents. The School District maintains several school/community/business partnerships that enhance educational opportunities for students with the assistance of a Community Partnership Advisory Council.

The School District has always been a leader in instructional excellence. The attention to a strong comprehensive academic curriculum continues to be an attraction for families moving into the community.

The School District has one early childhood center, one K-8 STEAM school, eight K-5 elementary schools, three 6-8 middle schools, two 9-12 high schools, one 11-12 alternative high school, one special education center and several other support facilities.

The School District works within a comprehensive curriculum, including instructional resources, in the areas of language arts, mathematics, social studies, science, art, music, physical education and health, and world languages. Curriculum development is guided by the School District's student learning outcomes and the State Board of Education Curriculum. The District utilizes an instructional review process to guide staff through curriculum research, planning, piloting, implementation, and evaluation.

The School District's educational program is rich in choice and offerings. Currently, students are eligible to apply to attend any school of their choice within each school's capacity limit. The School District operates Head Start, a federally sponsored program, for eligible at-risk early childhood students.

There is a strong core curriculum for every student, enhanced by applied technology programs and access to 1-1 technology. Curriculum offerings include advanced placement opportunities, bilingual and special education programs, secondary alternative high school, International Baccalaureate for high school students, band and orchestra at the secondary level, a full range of physical education and athletic offerings, numerous enrichment programs as well as online learning and alternative options in cooperation with Oakland Schools.

Elementary children have access to literacy and bilingual programs that support students learning art, music, and physical education. In cooperation with the Farmington YMCA, the School District provides Y-Child Care, before and after school child care at its elementary sites.

Special education services are provided government-wide for infants up to age 26 years. In addition, English as a second language is provided for adult learners. A student assessment and evaluation program provides information about individual, school, and School District achievement.

The official blended enrollment for 2023/2024, including alternative and adult education students, was 9,090 students.

Accomplishments

Farmington Public Schools Strategic Plan Development

During the 2022-23 school year, Farmington Public Schools launched the Profile of a Lifelong Learner–a product developed through our strategic planning process. The FPS Profile represents our promise to the community, supporting the development of skills and dispositions in these five areas:

- Compassionate Community Member
- Resilient Problem Solver
- Empowered Collaborator
- Strategic Communicator
- Self-Actualizer

In addition to the completion of the Profile of a Lifelong Learner, the goal area leaders worked to complete the objectives for each of the four goal areas:

Farmington's Strategic Planning Goal areas continue to be:

- **Innovation for Teaching and Learning:** We will partner with our community to *create unique learning experiences* within and beyond the classroom; embracing emerging technology, designing *authentic, meaningful, and inclusive* learning experiences while cultivating a community of continuous growth and improvement

- **Health & Wellness Through Social Emotional Learning:** We will focus on the physical and emotional *well-being of students, staff and families,* recognizing the importance of staff caring for themselves as well as *expanding their awareness of individual student needs* infused into daily practices.

- **Culture for Equity & Innovation:** We will create sustainable, intentional systems to support equity and innovation through active engagement in creating a culture that expects and allows for equity and innovation without barriers.

- **Collaborative Professional Learning that Supports Equity & Innovation:** We will become a system that works collaboratively, is constantly learning and adapting, is inclusive of all learners and voices through needs-driven professional learning that builds the capacity of ALL staff in supporting innovative and equitable practices.

Updates on the goal areas, including strategies, action steps and monitoring methods will be presented to the Board of Education throughout the year, with continued implementation during the 2024-25 school year.

Student and Staff Recognition

The School District is proud of the many achievements recognized during the 2023-2024 fiscal year, including:

- In 2023, Farmington Public Schools had a combined graduation rate of 96%. Approximately 850 students took advantage of Advanced Placement or Dual Enrollment, advancing their education and potentially saving on college tuition.
- Farmington Early Childhood Center is accredited by the National Association of the Education of Young Children.
- All PreK-12 schools and the District are fully accredited by Cognia. Cognia conducts on-site external reviews of schools and districts.
- Longacre Elementary School was the fifth school in Michigan to be awarded the distinction of being named a Leader in Me Lighthouse School.
- Hillside Elementary School, Farmington STEAM Academy, Farmington High School and North Farmington High School have been recognized as National PTA Schools of Excellence.

School/Community Relations Services

The District has a robust communications process in place to communicate with both its internal and external communities. Some of the vehicles that the Department uses include:

- UpDate Newsletter which is sent quarterly to more than 40,000 households
- @farmington online newsletter which is sent to staff every other week
- Social media channels - Facebook, Twitter, Instagram, Pinterest
- Blackboard Messaging – emails, texts, phone calls
- Listserv email messages
- Community Meetings, Presentations, and Coffees
- Videos developed by TV-10, the student-run television station
- Mobile App

District and school websites were re-designed several years ago using a Content Management System to help with the ease of updating the sites. The District's website has received the Commendable Award from the National School Public Relations Association. The District uses Peach Jar to help manage community resource information and fliers on the web site and mobile app.

This Department also hosts community events to help tell the District's story including a Senior Adult Breakfast, Realtor Breakfast, Farmington Public Schools' Awards of Excellence Breakfast, and the Rise & Shine Awards Luncheon.

The District works closely with its parent groups - PTA/PTSAs and the Farmington African American Parent Network (FAAPN) and numerous community groups including the Farmington Family YMCA, the Farmington Area Chamber of Commerce, the Farmington/Farmington Hills Optimist Club, the Farmington/Farmington Hills Education Foundation, and the Farmington Xemplar Club to name just a few.

For the past two Community Surveys, Communications ranked high in overall satisfaction.

Instructional Services

Farmington Public Schools established, as part of its Strategic Planning, a promise to our community in the form of a Profile of a Lifelong Learner. This profile identifies and defines 5 key learner outcomes. Each learner will become a:

- Strategic Communicator
- Empowered Collaborator
- Resilient Problem-Solver
- Compassionate Community Member
- Self-Actualizer

The design of authentic learning experiences is critical to create space for learners to build knowledge and skills embedded in our academic standards **and** our profile. To ensure this happens, we use our **instructional framework** (acquisition, meaning-making, and transfer) and **enduring instructional focus** areas (positioning, authenticity and noticing) as the foundation behind how we craft learning experience.

Farmington's Strategic Planning Goal areas continue to be:

- **Innovation for Teaching and Learning:** We will partner with our community to *create unique learning experiences* within and beyond the classroom; embracing emerging technology, designing *authentic, meaningful, and inclusive* learning experiences while cultivating a community of continuous growth and improvement
- **Health & Wellness Through Social Emotional Learning:** We will focus on the physical and emotional *well-being of students, staff and families,* recognizing the importance of staff caring for themselves as well as *expanding their awareness of individual student needs* infused into daily practices.
- **Culture for Equity & Innovation:** We will create sustainable, intentional systems to support equity and innovation through active engagement in creating a culture that expects and allows for equity and innovation without barriers.
- **Collaborative Professional Learning that Supports Equity & Innovation:** *We will become a system that works collaboratively, is constantly learning and adapting, is inclusive of all learners and voices through needs-driven professional learning that builds the capacity of ALL staff in supporting innovative and equitable practices.*

Farmington Public Schools recognizes that each and every staff member is a key asset. We invest in and cultivate an adult learning environment focused on professional growth and collaboration. We develop a yearly professional learning plan for the district that provides learning for all staff as well as opportunities for differentiated learning.

Technology is infused throughout the organization, with FPS now being a 1:1 district. It supports operations, curriculum, and instruction, enhances learning, and extends beyond the school faculty and school day. The district invested in a Learning Management System (LMS) and suite of tools to support teachers, students and families in the learning process. Collaboration between leaders from throughout the system has and will continue to be essential as we intentional plan current and additional technology bond purchases. Thus far, technology advancements include expanded wireless connectivity throughout the School District,1:1 technology for all learners, document cameras, classroom sound-systems, and interactive flat panels.

Student Support Services

The Student Support Services Department oversees a variety of areas related to support students and families who may need assistance and support at the tier 2 and tier 3 level. This includes Section 504, Personal Curriculums, Homeless/McKinney Vento students, State and Federal Grants (i.e. Title I, Title III), and students who are English Language Learners. The Community Support Services team works under this department to provide academic and resource support to students in need along with their families. This support includes necessary school supplies, tutoring, transportation and case management support.

The department also oversees the implementation and continued maintenance of the MTSS Framework. MTSS is defined as a multi-tiered system of supports and is a proactive and preventative framework that integrates data and instruction to maximize student achievement and support students social, emotional and behavior needs.

Each school and department in our district is a Professional Learning Community where schools work in professional learning teams. Teams are established in all schools and departments in the district. Support for the work is provided through professional development for all staff. Teacher teams are meeting on a regular basis to review what students must know and be able to do, analyze and use assessment data to inform instruction and progress, and to identify supports for assisting students to improve learning. Instructional support teams (Business Services, Facilities, etc.) continue to work on effective and efficient practices within their areas of service.

Special Education

The special education department is focusing on increasing access and participation to the general education curriculum by focusing on providing specially designed instruction in the least restrictive environment. To this end, the department is investing in professional development and resource materials to allow services to be delivered to students with special needs with less removal from the general education environment. Specifically, the department has invested in professional development related to co-teaching, along with additional materials to support math and literacy instruction. Special education continues to support, align, and integrate special education instructional goals with the general education curriculum. The department has invested in Goalbook Toolkit to support designing goals and objectives related to the individual needs of the student. The Social Emotional Learning department (SEL) is utilizing curricular resources aligned with the Collaborative for Academic, Social, and Emotional Learning, such as Second Step, Quaver, and Compass.

Facilities Management

With the successful bond proposal in May 2015, the district interviewed and awarded contracts to the required consultants, including architects and engineers, to design and document the work in the bond proposal. Schools included in Phases 1 through 5 of the 2015 bond construction cycle are complete.

In March of 2020 the District successfully passed a second bond initiative (totaling $98 million dollars). The first series of bonds were issued in June 2020 and the proceeds totaled $67.8 million. The District successfully negotiated contracts with its Architect, Construction Manager and Technology Design Consultant. Work began on Phase I schools in June 2020. To date (August 9, 2024) bond work has been completed at all of our schools and at the Maxfield Education Center, the District's community support services building that also houses special education staff. The District's Visions Unlimited program (our adult transition students) moved to their new home (previously Farmington Community School) in January of 2024. Construction is now complete at our new administration building (the old Visions Unlimited building) which will provide much needed collaborative space for staff. With the central office move, the current building will be repurposed as a central warehouse that will free up room at all of our schools (where furniture and other storable items are currently housed). Of the $98 million originally approved by voters, $52 million is currently committed.

Facilities Management is also committed to both student achievement and safety while maintaining cost efficiencies through building automation and energy management. Our energy management initiatives have saved the District over $13.0 million since its inception.

Our department continues to practice and investigate sustainable measures, including recycling, energy management, and industrial storm water management for future generations. This past year's environmental activities included the removal of two 10,000 gallon, 40 year old underground fuel storage tanks at transportation and two tanks at facilities management. New above ground tanks have since been installed at both locations.

All 16 of our K-12 schools have received Michigan Green School Awards, 8 of which have been recognized as Evergreen, the highest level in the program. For the 2022-23 school year, the four schools recognized as Evergreen include Forest Elementary, Gill Elementary, STEAM Academy and Warner Middle School.

In February of 2022 the District hired ABM, a third-party custodial services company, for a three-year period due to ongoing performance issues with the previous contracted cleaning service. The District's new hybrid model utilizes twenty-two daytime head custodians and two night foreman who monitor contracted services. This model has been recognized at the state and national level and has dramatically improved the cleanliness of our facilities.

The District's total square footage is 1,573,322 which includes 8 elementary schools, 1 K-8 STEAM Academy, 3 middle schools, 2 high schools, 1 alternative high school, 1 early childhood school and 1 special education school. The balance of the square footage includes 5 support facilities for a total of 22 buildings.

Human Resources

There continues to be a clear focus in Human Resources on efforts to attract, recruit, and KEEP the best talent possible in order to help our students reach their maximum potential for growth. New in the 2023-24 School Year the A.R.K. Talent Model was developed to reflect this movement. These efforts include the recruitment and retention of diverse staff to better reflect our student population, as well as a teacher mentoring program, developed by talented Farmington Public Schools' teacher leaders, that support the growth and development of our new teachers throughout the school year. The District's Talent Development Committee comprised of stakeholders throughout the District has developed a Staff Portrait, which is modeled after and complements the District's Profile of a Lifelong Learner for students, in order to continue to define and share staff knowledge and skills that best support students in reaching their potential.

Related to the impact of the pandemic, numerous student supports have been added, which enhance the literacy growth and social-emotional needs of our students. The supports include direct services to our students, as well as growth opportunities for our teachers in instructional practices.

All District employee collective bargaining units are under contract through at least the end of 2024-2025. A three-year contract was reached in 2024 with our bus drivers and mechanics (Farmington Transportation Association) through June 30, 2027 and paraprofessionals and office staff (Educational Support Professionals) settled on a two- year contract that will remain in force through June 30, 2026. Teachers and ancillary professional staff (Farmington Education Association); maintenance and nutrition services staff (Farmington Maintenance and Cafeteria); and school administrators (Farmington Association of School Administrators) are all under contract through 2024-2025. These agreements continue to recognize and value the contributions of all employees, while assuring that Farmington remains well-positioned for long-term, sustainable academic and financial health.

Business Services

Financial reports are prepared in accordance with standards of the Association of School Business Officials International criteria and the School District was recognized for this program.

Transparency information continues to be updated on the School District's website providing public access to how the School District spends its tax dollars.

The Business Office has converted to an all-electronic Purchase Order process and continues offering ACH payments (versus a paper check) to all of its vendors. More and more vendors are taking advantage of this option.

Due to the COVID-19 pandemic, the federal government provided billions of dollars to help support public school districts throughout the country. The business office has been instrumental in managing and supporting spending of these federal dollars with approximately $22.5 million provided to Farmington Public Schools starting in 2020. Focus areas included purchase of PPE (personal protective equipment), disinfecting equipment, air purifiers for all classrooms and shared spaces, signage and posters, additional custodial support, outdoor WiFi availability at several schools, hotspots, instructional software, including a Learning Management System, as well as individualized student kits to eliminate the use of shared materials. These federal dollars are also being used to provide social emotional learning support to students, after-school tutoring, robust summer school programs, math and literacy support at the middle school level and a variety of instructional software to enhance student learning. The majority of these dollars were spent by June 30, 2024 with approximately $500,000 carried over to 2024-25. These dollars will be spent by September 30, 2024.

Farmington Schools provides the management of the nutrition services program in the Redford Union School District through a cooperative agreement.

Nutrition Services prepared and served over 412,000 breakfasts and 821,000 lunches which consisted of paid meals as well as meals paid for under the National School Lunch and Breakfast program funded by the USDA through a federal program.

Financial Report Awards

The School District has received the Association of School Business International Officials Certificate of Excellence in Financial Reporting since the 1996-1997 fiscal year for its financial reports.

Economic Outlook

As the School District completes its 30th year under Proposal A, approved by Michigan voters in 1994, revenue has not kept pace with inflation. Proposal A substantially shifted funding responsibility from the local level to the state level and from property tax as the major revenue source. The cumulative rate of per-pupil revenue increase has been about 28.9 percent since 1994, and the cumulative rate of inflation at 66.8 percent, illustrating that funding has not kept pace with the rate of inflation. The School District is dependent upon the state legislature for not only the majority of its funds, but also its funding level. In addition, various costs were shifted to local districts, which historically had been paid by the State. These include contributions to the Michigan Public School Employees' Retirement System and FICA.

The original budget for 2024-25 was created using an estimate of $200 per pupil increase and an increase in special education funding based upon the budgets presented by the Governor, Senate and House as the State budget had not yet been approved. The May Revenue Estimating Conference revealed that both the State's General Fund as well as the State School Aid Fund continued to be in decent shape. In the months that followed the May Revenue Estimating Conference, and in the last days of June approved a budget that did not include a foundation allowance increase for public school districts, eliminated mental health and safety grant funding and provided one-time funding for a retirement rate reduction. This was not the investment in schools that local districts and intermediate school districts were expecting. The budget did provide for some funding increases for special education, bilingual and at-risk programs. As of the date of this report, the Senate, House and Governor have all signed House Bill 5803 which became law as Public Act 127 of 2024. This public act provides for the permanent reduction in the MPSERS rate of 5.75% which changes this reduction from being one-time funds.

The District has contracts in place with all of its bargaining units through at least June 30, 2025.

A two-year contract was settled through June 30, 2026 with the District's paraprofessional and secretarial staff, the Educational Support Professionals (ESP) and while a three-year contract was settled through June 30, 2027 with its bus drivers, the Farmington Transportation Association (FTA). Within the ESP contract, Level IV on the pay schedule was eliminated and all employees in Level IV moved to Level III while all Level III employees moved to Level II. Steps are provided for both years of the contract and on schedule wage increases of 3% in each of the two years. Longevity payments also increased and will be paid to eligible employees. The FTA contract provided for an on schedule wage increase of $1.50/hour for bus drivers and $2.50/hour plus 2.5% for mechanics. The remaining two years of the contract provide for

step movement for those eligible with a 2% increase on schedule. Longevity payments for eligible employees was also added back into the contract.

A three-year contract through August 23, 2024 was reached with its teachers, the Farmington Education Association (FEA). Step increases will occur for those on the step schedule for each of the three years. Increases to the salary schedules were provided for 2022, 2023 and 2024 and equal 2.0%, 1.50% and 1.0%, respectively. Longevity payments increased and will continue to be paid to those eligible. During 2022-23, the District and Association extended the FEA contract through August 2025. The two-year contract eliminated the first 2.5 steps on the salary schedule to provide for higher starting wages to focus on attracting and keeping staff. On scale increases and step movement were also included for both years of the contract.

A two-year contract was settled through June 30, 2025 for maintenance and nutrition staff, Farmington Maintenance and Cafeteria (FMC) and with the Farmington Association of School Administrators (FASA). The FMC contract provides for step movement and on-schedule wage increases in both years. The FASA contract eliminated the first two steps of the salary schedule to provide for higher starting wages and provided for step movement and on-schedule wage increases in both years of the contract.

The State of Michigan, through the Department of Treasury, commissioned an Adequacy of Education Funding in Michigan study with results received in June 2016. Results of the equity analysis showed Michigan's school finance system to be moderately inequitable. Findings also suggested that the State may be falling short in providing additional resources for serving special needs populations. The study provided various recommendations to the State, but ultimately, it suggested that the State should work toward having a single formula allowance amount for all districts supplemented by an equalized local option operating levy that must be approved by a district's voters and that provides an avenue for local discretion on school spending levels. This recommendation sounds very similar to the funding structure for hold harmless districts currently in place. We will need to closely monitor any changes brought forward in the future to assess how they will impact our funding. Oakland Intermediate School District organized a task work group, now known as the School Finance Research Collaborative, to continue the adequacy funding study to provide more detailed recommendations on funding sources needed for today's schools.

The School Finance Research Collaborative is a diverse, broad-based and bipartisan group of business leaders and education experts from all corners of Michigan. The key findings of the study completed are:

- An identified base cost for educating a student with several factors that deserve additional funding for student characteristics including poverty, special education, English Language Learners (ELL) and Career and Technical Education (CTE).

- Identification of costs in related areas in response to school district or charter school characteristics including: transportation of students, geographic isolation, state pension system costs and enrollment size.

- Identification of the base cost of a regular education student at $9,590 for both traditional public schools and charter schools. That amount excludes transportation, food service and capital costs, and only includes pension costs at 4.6% of wages.

- In addition to the base per-pupil cost, a percentage of the base cost should be provided for special education, English Language Learners, students living in poverty and programs to provide Career and Technical Education, and to account for geographic isolation.

- All school districts and those charter schools in the State Pension system (MPSERS) should receive funding in addition to the base for the payment required by law. Currently, the required additional payment is equal to approximately 22.9% of all wages.

The current Governor has been very supportive of the Adequacy of Education Funding in Michigan study. The budget she presented in February 2024 continued to try to address funding for these specific areas. The State guaranteed funding a foundation allowance per pupil of $9,608 for all school districts in Michigan. Farmington Public Schools is still able to levy an additional $1,876 per pupil (hold harmless millage) on its residential taxpayers for operating purposes.

Although the School District has a fund balance at the present time, the future requires that the School District continue to develop a long-term set of strategies to ensure it is able to maintain a balanced budget in the future. The Board of Education requires a targeted fund balance range of 10 percent to 15 percent of expenditures along with cost containment strategies, constant program review, and new programs to remain dynamic and has the commitment of the board and administration.

The School District's hold-harmless millage was overwhelmingly renewed by voters in August 2015, which was anticipated to bring continued levels of local operating revenue through 2025. For the past five years, the District was able to levy 18.0000 mills on all non-homestead properties due to the successful passage of a headlee override by voters in November 2017. The ballot proposal in the November 2017 election not only restored the millage rate back to 18.0000 mills but authorized an additional one mill to absorb potential future rollbacks. The State assumes the District levies the full 18.00 mills on non-homestead properties as part of the foundation allowance formula and does not make up the loss in revenue should the millage rate be rolled back. For 2022-23, the District was initially only able to levy 17.3848 mills on non-homestead properties as the millage rate had been permanently rolled back over the last five years and was below 18.0000 mills. This resulted in a potential loss of revenue of approximately $878,000. The District had a ballot proposal in November 2022 to restore the 0.6152 mills as well as authorize an additional one mill to absorb potential future rollbacks. Due to the successful passage of this Headlee override by voters, the District was able to levy the full 18.0000 mills allowed by law and did not experience a loss of revenue.

For the last decade the School District faced declining enrollment as the birthrate in Oakland County and the State has declined significantly with exiting senior classes being approximately 350 students less than an incoming kindergarten class. The District is finally at the point where enrollment has stabilized. A third-party demographer projects the District's enrollment annually. For fiscal year 2024-25, the District used an increase of 100 pupils for budget purposes due to the stabilization of enrollment and significant applications submitted for school of choice enrollment. Early enrollment numbers appear to be on target with what was included in the 2024-25 budget.

Accounting System, Budgetary, and Internal Control

The State of Michigan requires all school districts to comply with Public Act 43 of 1963, *Budget Hearings of Local Governments* and Public Act 2 of 1968, *Uniform Budgeting and Accounting Act*. These acts require all school districts to prepare budgets for their funds, which account for the day-to-day operations of the district; however, fiduciary funds are not required to be budgeted. The budgets are prepared in accordance with generally accepted accounting principles and a specific uniform chart of accounts established by the State. Budgets must be approved no later than June 30 for the fiscal year beginning July 1, and ending June 30 the subsequent year. Prior to adoption, the Board must conduct a public hearing and make the budget available for review as well as provide notice of the hearing in a newspaper of general circulation at least six days prior to the hearing. Formal adoption of the budget is accomplished through a general appropriations resolution approved by the Board which sets forth the amounts to defray the expenditures and meet the liabilities of the District as well as a statement of estimated revenue by object in each fund. Once approved, expenditures cannot exceed the budget by function and object during the fiscal year without Board approval of revisions.

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

During the fiscal year, reports are generated for the budgetary funds, which include the budget, current year-to-date revenue and expenditures, revenue and expenditures over or under, and percentage over or under budget. These reports are provided to administration and each budget administrator has the capability to run their own reports as needed. The reports also detail the monthly transactions and summarize the remaining balances to be spent from the appropriations allocated for goods and services among the programs managed.

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

Financial Policies

The following financial policies and practices of the School District had a significant impact on the School District's fiscal year 2023-2024 financial statements:

Fund Balance - Financial stability is important to maintain a strong instructional program for the students in the School District. In order to maintain financial stability, the Board of Education stipulates that the School District target an 10 percent to 15 percent fund balance in the General Fund. Maintaining this level of fund balance helps the School District weather sudden reductions in funding, as well as provide adequate cash flow to meet its payroll and other financial obligations.

Long-Term Financial Planning – A budget timeline and budget parameters are developed with the District's Central Office Cabinet. These parameters are then presented to and discussed with the Board's Finance and Facilities Committee and then with the Board of Education at a regular public meeting. Input received at the Board meeting is incorporated. These parameters become the basis for the ensuing year's budget development and guide the forecast for an additional year. The forecast is used internally to make decisions both for the upcoming budget year and the forecasted year which promote fiscal stability, keep the Board's target fund balance percent at the forefront and provide quality educational programs for the students.

Preventative Maintenance Schedule and Plan - Maintaining the School District's facilities is important to provide a safe and healthy learning environment. The School District maintains a long-range preventative maintenance and capital projects schedule in order to keep its buildings in good working order as well as to timely identify replacement of significant components within a building. In 2010, a facilities evaluation was completed by a third-party architect. This facilities evaluation has aided the School District in identifying future capital needs based upon the ages and condition of its physical plant. In May 2015, a $131.5 million bond proposal was passed by the electorate to address facilities needs and the related financing of these needs. The amount financed also includes dollars to replace a portion of our aging fleet of buses as well as technology upgrades. The bond financing amount was reduced by a factor to adjust for potential school closures due to projected declining enrollment. This infusion of bond money will help to alleviate the pressure within the General Fund to pay for ongoing costs for our aging facilities whose average age exceeds 50 years.

A 10-year Capital Assessment Plan was completed by a consultant in May 2019 and updated in December 2019 with the assistance of the Facilities Management Department. The assessment provided the District with a capital planning template with three major components: critical need/life-safety, deferred maintenance and property enhancements. The Plan identified needs of approximately $85.5 million. Approximately $20.0 million was identified for technology needs and approximately $7.5 million identified for buses. The District's Board of Education approved a ballot proposal for a $98.0 million bond issue which was voted on in March 2020. The bond proposal was approved by voters and the District is currently wrapping up Phase IV projects which took place over the Summer of 2024 with Phase V projects currently being planned.

Enrollment Projections - Annually, the School District hires a third-party consultant to project student enrollment figures using live birth statistics and grade progression. This assists the School District in facilities and budget planning.

Pension and Other Postemployment Benefits - The School District participates in the Michigan Public Schools Employees' Retirement System (MPSERS), which is a state-administered cost-sharing multiple-employer public employee retirement system. The retirement system consists of three plans: a defined benefit plan, a hybrid plan consisting of a defined benefit plan and a defined contribution plan, and a defined contribution plan. As part of the MPSERS reform approved by the Michigan Legislature and signed by the governor on September 4, 2012, all employees hired prior to July 1, 2010 were required to make an election from four options. Effective February 1, 2013, and depending on the plan selected, plan member contributions range from 0 percent up to 7.0 percent of reportable wages. Employees could elect into a defined contribution plan (DC), whereby they are not required to make additional contributions, and could

also elect out of the healthcare premium subsidy and into the Personal Healthcare Fund (PHF), depending upon their date of hire and retirement plan election.

Under the MPSERS act, all retirees participating in the MPSERS pension plan have the option of continuing health, dental, and vision coverage through MPSERS. Retirees electing this coverage contribute an amount equivalent to the monthly cost for Part B Medicare and 10 percent of the monthly premium amount for the health, dental, and vision coverage at the time of receiving the benefits. The MPSERS board of trustees annually sets the employer contribution rate to fund the benefits on a pay-as-you-go basis. Participating employers are required to contribute at that rate. Effective February 1, 2013, members can choose to contribute 3 percent of their covered payroll to the Retiree Healthcare Fund and keep this premium subsidy benefit, or they can elect not to pay the 3 percent contribution and instead choose the Personal Healthcare Fund, which can be used to pay healthcare expenses in retirement. Members electing the Personal Healthcare Fund will be automatically enrolled in a 2 percent employee contribution into their 457 account as of their transition date and create a 2 percent employer match into the employee's 401(k) account.

The assumed rate of return within the retirement plan has been reduced over the last few years to 7.05 percent, which has the net effect of increasing the value of the retirement obligation for the plan, which in turn increases the required contributions to the plan. Additionally, for staff hired on or after February 1, 2018, the default employee election will be into a defined contribution (DC) plan; however, an employee can elect the hybrid plan within a specified timeframe. Members opting to participate in the defined contribution (DC) plan are provided with a 50 percent employer match (up to 3 percent of salary) on employee contributions. This created a change in the District's cost of the benefit for employees new to the retirement system in February 2018. Funding will continue to be provided in 2023-24 to all public school districts to help offset the additional costs for these plan changes.

Employer contribution rates are established annually by the Office of Retirement Services based upon actuarial data and estimates of future retirements in the system. A factor affecting the retirement rate computation is the number of active members for which contributions are made into the retirement system. Over the last several years, the trend in Michigan public schools is to privatize non-instructional services such as substitutes, custodians, transportation, maintenance, and food service. It has yet to be determined what effect privatization will have on future employer contribution rates.

Major Initiatives

Strategic Planning – At the end of the 2022-23 school year, Farmington Public Schools engaged the community in a conversation around the next phase of our Strategic Plan. Stakeholder feedback was gathered across the community to identify trends and areas of focus for the district.

These Leading Focus Areas include:

- Collaborative Professional Learning that supports Equity and Innovation
- Culture of Equity and Innovation
- Health and Wellness through Social and Emotional Learning
- Innovation for Teaching and Learning

Once the specific goal statements are generated, an update on the goal areas, including strategies, action steps and monitoring methods will be presented to the Board of Education in the Fall of 2023, with continued implementation during the 2023-24 school year.

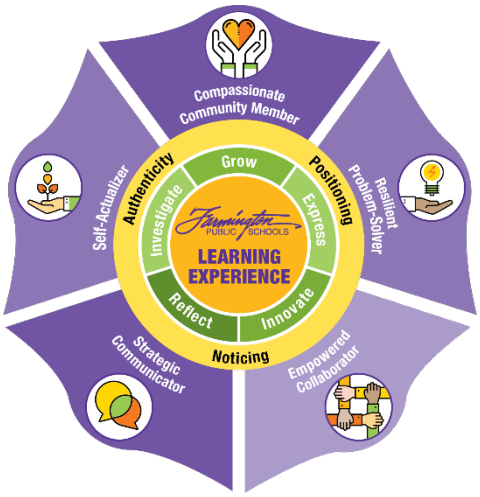
District Equity Audit – An equity audit was conducted by US^2 during the 2020-21 school year. US^2 spoke with 623 stakeholders which included students, building administrators, staff members, parents, community members, board members and district administrators and received surveys back from 4,707 stakeholders. School virtual visits took place during March, April and May of 2021. Focus areas that were examined were:

- Representation/Policies & Procedures
- Culture
- Family & Community Engagement

- Teacher Leadership
- Instruction/Pedagogy
- Curriculum

US[2] compiled a report of findings as well as a summary of recommendations for the district, as an entity. The District is currently developing a 3 – 5 year plan, called Equity Action Plan or EAP, to address the findings and recommendations. The first tier of building out the equity action plans occurred at all building levels in the 2022-23 school year. Elementary and secondary buildings will begin implementing and working towards these identified areas. The District EAP is ongoing and will take shape during the 2023-24 school year.

Our Commitment and Alignment - The Farmington Public School stakeholder based strategic planning process created a Profile of a Lifelong Learner (which has become a part of our Board of Education goals) and an intentional set of Enduring Instructional Focus areas: Positioning, Authenticity, and Noticing. We strongly believe that it is through **positioning, authenticity, and noticing**, we craft **equitable** and **innovative** learning experiences that promote our Profile of a Lifelong Learner, our promise to the community.



- We craft learning environments that **position** each and every learner to be engaged - - in a way that they are invited into the learning, their thoughts are valued, and they know they are confident and competent to do the learning.
- We design **authentic** learning opportunities that provide each and every learner the opportunity to learn higher level thinking and problem solving skills as well as knowledge of the world and people alongside their own passions and interests.
- We actively **notice**, reflect on, and interrupt how our lived experiences, beliefs, and assumptions impact our behaviors and actions as we interact with each other and uncover the passions and interests of each and every learner.

Literacy - Literacy is a key lever in student success. Students engage with and contribute to the world through reading, writing, speaking and listening. Our focus on authentic learning experiences and integration of text sets provides the space for disciplinary literacy practice and culturally responsive instruction to take root across all subject areas. In support of students building their skills in reading and writing, we are

- resetting our professional learning and instructional approach and resources that support K-5 literacy instruction with a focus on foundational skills development and knowledge-building curriculum that develops reading, writing, thinking, and speaking skills with the use of information rich texts.
- shifting instructional practice aligned to the Essential Practices for Literacy Instruction in the Secondary ELA Classroom which is supported by intentional professional learning and resource support.
- utilizing computer adaptive technology to support students content area needs.
- exploring and ensuring ways to structure for and provide best practice strategies opportunities to accelerate student learning.

Mathematics - Our student-centered mathematics work is focused on providing students engaging non-routine tasks, fostering curiosity and flexibility in their thinking, ensuring equitable participation, and making use of tools and manipulatives to make sense of key mathematical concepts. With this focus, we can support students in developing both their procedural and conceptual understanding. To this end, we are

- providing for intentional professional learning opportunities for staff at each grade band centered on student-centered mathematics practices.
- utilizing computer adaptive technology to support student content area needs.
- exploring and ensuring ways to structure for and provide best practice strategies and opportunities to accelerate student learning.

A.R.K. Talent Model - There continues to be a clear focus in Human Resources on efforts to attract, recruit, and KEEP the best talent possible in order to help our students reach their maximum potential for growth. The A.R.K. Talent Model was developed to reflect this movement. These efforts include the recruitment and retention of diverse staff to better reflect our student population, as well as a teacher mentoring program, developed by talented Farmington Public Schools' teacher leaders, that support the growth and development of our new teachers throughout the school year.

Capital Planning – On May 5, 2015, a $131.5 million bond proposal was approved by voters. The proposal was the culmination of work that occurred during the 2013-14 fiscal year by the Capital Planning Advisory Committee. The committee presented its recommendations in the summer of 2014. The work of the Committee stemmed from the prior work of the Facilities Forward study team which created a broad vision to address the critical facilities needs across the district including learning spaces and tools to be able to support our staff in having what they need to achieve great results with their students. In addition, a Building and Site Utilization Committee provided a recommendation on the number of facilities that will be retained by the District. Their work was based upon enrollment trends, as the full amount of needs exceeded over $140 million for the District to retain all existing buildings, but was reduced to incorporate enrollment trends. As part of the bond work, the District expanded and renovated one of its early childhood centers, Alameda, which will allow for all early childhood programs to operate in one building. The newly renovated and expanded site opened in the Fall of 2020 and was renamed Farmington Early Childhood Center. Due to increasing student numbers at the post-secondary level, ages 18-26, the previously closed Farmington Community School is being renovated to house this program. A portion of the 2015 bond is being utilized for this renovation with the remainder of the funds coming from the 2020 bond. The "new" Visions Unlimited building is anticipated to be completed in late fall with an opening date of January 2024. Remaining bond dollars from the 2015 bond will be expended by August 31, 2023.

A 10-year Capital Assessment Plan was completed by a consultant in May 2019 and updated in December 2019 with the assistance of the Facilities Management Department. The assessment provided the District with a capital planning template with three major components: critical need/life-safety, deferred maintenance and property enhancements. The Plan identified needs of approximately $85.5 million. Approximately $20.0 million was identified for technology needs and approximately $7.5 million identified for buses. The District's Board of Education approved a ballot proposal for a $98.0 million bond issue which was voted on in March 2020. The bond proposal was approved by voters and the District is currently wrapping up Phase III projects which took place over the Summer of 2023 with Phase IV projects currently being planned.

Independent Audit

The School District's financial statements were audited by Plante & Moran, PLLC, certified public accountants, as of June 30, 2024. Their audit was made in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*. The financial statements present fairly the financial position of Farmington Public School District at June 30, 2024. Their audit also included the single audit on federal awards, a copy of which can be obtained from the School District's business office.

Excellence in Financial Reporting

The School District is committed to providing its citizens and other users with comprehensive financial reporting. For school districts meeting the requirements of a Comprehensive Annual Financial Report, the Association of School Business Officials International (ASBO) awards a Certificate of Excellence in Financial Reporting. The School District received a Certificate of Excellence in Financial Reporting from the ASBO for its Annual Comprehensive Financial Report for the fiscal years ended June 30, 1997 through June 30, 2023.

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

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

certificate.

Acknowledgments

The preparation of this report on a timely basis could not have been accomplished without the effort and dedicated services of the entire staff of the business department. We would like to express our appreciation to all the members of this office who assisted in the timely closing of the School District's financial records and the preparation of this report.

Also, we would like to express our appreciation to other departments and individuals who assisted in the preparation of this report.

Sincerely,

Kelly M. Coffin

Kelly Coffin, Ed.D.
Interim Superintendent

Jennifer F. Kaminski

Jennifer F. Kaminski
Assistant Superintendent for Business Services

Kimberly L. Pincheck

Kimberly L. Pincheck
Finance Director

Farmington Public School District

District Officials

Administration

Dr. Kelly M. Coffin
Interim Superintendent of Schools

Dr. Kelly M. Coffin
Assistant Superintendent,
Innovation and Strategic Initiatives

Bradley Paddock
Assistant Superintendent, Human
Resources and Talent Development

Jennifer F. Kaminski
Assistant Superintendent,
Business Services

Dr. Lydia Moore
Executive Director, Special Education

Jon Barth
Director, Facilities Management and
Transportation

Diane Bauman
Director, School/Community Relations and
Pupil Accounting

Board of Education

Terri A. Weems
President

Donald Walker, Jr.
Vice President

Claudia T. Heinrich
Treasurer

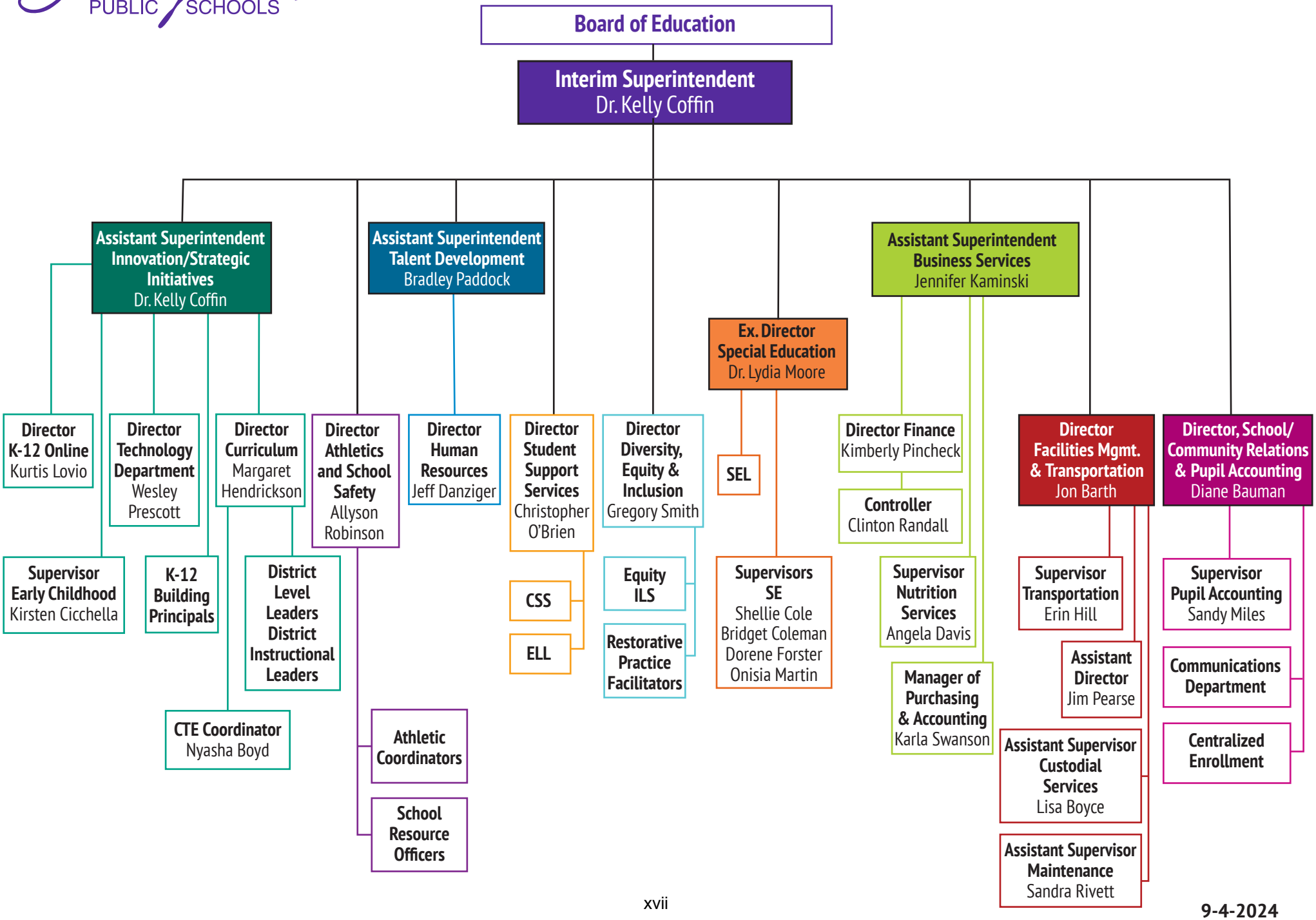
Mable S. Fox
Secretary

Dr. Cheryl B. Blau
Trustee

Angie F. Smith
Trustee

Dr. David Turner
Interim Trustee

Administrative Organizational Chart



9-4-2024

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS INTERNATIONAL

The Certificate of Excellence in Financial Reporting is presented to

Farmington Public School District

for its Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2023.

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

CERTIFICATE OF EXCELLENCE IN FINANCIAL REPORTING

Ryan S. Stechschulte
President

James M. Rowan, CAE, SFO
CEO/Executive Director

Plante & Moran, PLLC
Suite 400
1000 Oakbrook Drive
Ann Arbor, MI 48104
Tel: 734.665.9494
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Independent Auditor's Report

To the Board of Education
Farmington Public School District

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

PRAXITY™
Empowering Business Globally

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Farmington Public School District's basic financial statements. The other supplementary information, as identified in the table of contents, is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

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

To the Board of Education
Farmington Public School District

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements or whether the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 18, 2024 on our consideration of Farmington Public School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Farmington Public School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Farmington Public School District's internal control over financial reporting and compliance.

Plante & Moran, PLLC

October 18, 2024

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

Using This Annual Report

This annual report consists of a series of financial statements and notes to those financial statements. These statements are organized so the reader can understand Farmington Public School District financially as a whole. The government-wide financial statements provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. The fund financial statements provide the next level of detail. For governmental activities, these statements tell how services were financed in the short term and what remains for future spending. The fund financial statements look at the School District's operations in more detail than the government-wide financial statements by providing information about the School District's most significant funds - the General Fund, the 2020 Building and Site Fund, and the 2023 Building and Site Fund - with all other funds presented in one column as nonmajor funds.

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

Basic Financial Statements

Government-wide Financial Statements

Fund Financial Statements

Notes to Basic Financial Statements

Required Supplementary Information

Budgetary Information for Major Fund

Schedules of Proportionate Share of the Net Pension and OPEB Liabilities (Asset)

Schedules of Pension and OPEB Contributions

Other Supplementary Information

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

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

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

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

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

Reporting the School District's Fund Financial Statements

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

Governmental Funds

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

Proprietary Funds

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

The School District as a Whole

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

	Governmental Activities	
	2024	2023
	(in millions)	
Assets		
Current and other assets	$ 121.5	$ 134.1
Capital assets	219.7	203.2
Total assets	341.2	337.3
Deferred Outflows of Resources	85.6	102.2
Liabilities		
Current liabilities	34.8	32.9
Noncurrent liabilities	430.6	489.5
Total liabilities	465.4	522.4
Deferred Inflows of Resources	82.9	71.0
Net Position (Deficit)		
Net investment in capital assets	62.3	61.4
Restricted	12.0	6.8
Unrestricted	(195.8)	(222.1)
Total net position (deficit)	**$ (121.5)**	**$ (153.9)**

The above analysis focuses on net position. The change in net position of the School District's governmental activities is discussed below. The School District's net position was $(121.5) million at June 30, 2024. Net investment in capital assets totaling $62.3 million compares the original cost, less depreciation of the School District's capital assets, to long-term debt used to finance the acquisition of those assets. Most of the debt will be repaid from voter-approved property taxes collected as the debt service comes due. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the School District's ability to use that net position for day-to-day operations. The remaining amount of net position ($(195.8) million) was unrestricted.

The $(195.8) million in unrestricted net position of governmental activities represents the accumulated results of all past years' operations and the impact from adoption of GASB Statement Nos. 68 and 75 (recording the School District's share of the net pension liability and OPEB (asset) liability from the state-managed retirement system). Unrestricted net position, when available, would enable the School District to meet working capital and cash flow requirements and to provide for future uncertainties. The operating results of the General Fund and the change in the net pension liability and OPEB (asset) liability will have a significant impact on the change in unrestricted net position (deficit) from year to year.

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

	Governmental Activities	
	2024	2023
	(in millions)	
Revenue		
Program revenue:		
Charges for services	$ 2.1	$ 3.7
Operating grants	75.9	55.4
General revenue:		
Taxes	59.2	55.9
State aid not restricted to specific purposes	61.8	56.7
Other	6.8	6.3
Total revenue	205.8	178.0
Expenses		
Instruction	90.5	84.0
Support services	60.4	56.1
Athletics	1.9	1.9
Nutrition services	4.5	3.6
Community services	2.0	2.2
Interdistrict payments	0.9	1.0
Debt service	7.7	5.9
Depreciation expense (unallocated)*	5.5	5.4
Total expenses	173.4	160.1
Change in Net Position	32.4	17.9
Net Position (Deficit) - Beginning of year	(153.9)	(171.8)
Net Position (Deficit) - End of year	**$ (121.5)**	**$ (153.9)**

*Unallocated depreciation excludes direct depreciation expenses of the various programs.

As reported in the statement of activities, the cost of all of our governmental activities this year was $173.4 million. Certain activities were partially funded from those who benefited from the programs ($2.1 million) or by other governments and organizations that subsidized certain programs with grants and contributions ($75.9 million). We paid for the remaining public benefit portion of our governmental activities with $59.2 million in taxes, $61.8 million in state foundation allowance, and other revenue (i.e., interest and general entitlements).

The School District experienced an increase in net position of $32.4 million, primarily due to the change in the School District's pension and OPEB (asset) liability and related deferred inflows and outflows.

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

The School District's Funds

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

As the School District completed this year, the governmental funds reported a combined fund balance of $82.4 million, which is a decrease of $18.5 million from last year. The primary reasons for the decrease are as follows:

In the General Fund, our principal operating fund, the fund balance increased by $2.3 million to $39.3 million. The change is due mainly to additional state revenue for MPSERs offset purposes and less expenditures than projected.

The capital projects 2020 Building and Site Fund contains the proceeds of the 2020 bond issue. The revenue in this fund is primarily interest earned on investments, which is kept in the fund to use toward capital improvements. The capital outlay during the year was for the purchase of school buses, technology equipment, and building and playground improvements. Fund balance decreased by $13 million to $10.5 million. The 2020 bond construction projects are estimated to be approximately 85 percent complete at the end of the year, with the remaining funds to be fully expended by June 30, 2025.

The capital projects 2023 Building and Site Fund contains the proceeds of the 2023 bonds, which were issued in May 2023 for $30.1 million. The revenue in this fund is primarily interest earned on investments, which is kept in the fund to use toward capital improvements. Fund balance decreased by $8.5 million to $21.5 million. The 2023 bond construction projects are estimated to be approximately 28 percent complete at the end of the year, with the remaining funds to be fully expended by June 30, 2026.

The Maintenance/Bus Purchases capital projects fund was created during the 2004-2005 fiscal year to separate large capital and nonoperating expenditures from general operating obligations of the School District. Transfers from the General Fund are made to this fund based upon capital projects needs for future fiscal years. A transfer of $600,000 was made during the year.

The Technology/Other Projects Fund is funded through transfers from the General Fund. A transfer of $300,000 was made during the year to address future technology needs when bond dollars are fully expended from the 2020 and 2023 bond issues.

With the adoption of GASB 84, the School District created the Student Activities special revenue fund to account for activities previously reported as fiduciary funds. Fund balance decreased slightly for the year ended June 30, 2024 as a result of increased participation in student clubs and programs.

General Fund Budgetary Highlights

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

There were significant revisions made to the 2023-2024 General Fund original budget. Budgeted revenue was increased by $12.8 million due to a decrease in local revenue ($0.2 million) for property tax revenue due to the changes in taxable values; an increase in state funding ($11.5 million) due to increased funding for the MPSERS retirement costs (which includes $2.0 million in flow-through funds for the unfunded actuarial accrued liability) and state grant funding for at-risk, mental health, safety, security, and special education programs; an increase in federal grant funds ($1.2 million) based upon current grant awards; and an increase in interdistrict revenue ($0.3 million) due to an increase in special education and transportation revenue from the intermediate school district (ISD).

Budgeted expenditures were also increased by $12.3 million to account for actual staffing in place, current contractual obligations, and increased state and federal grant awards.

The difference between final budgeted revenue and actual revenue was $7.9 million, or 4.3 percent less than budgeted. The difference, on a net basis, included additional MPSERS offset funds and other state and federal revenue recorded based upon expenditures made, where these grants are budgeted at the full award amount.

The difference between final budgeted expenditures and actual expenditures was approximately $9.3 million, or 5.1 percent less than budgeted. The reasons for the differences, on a net basis, are as follows:

- Grant expenditures, budgeted upon award amounts, were below projections by approximately $8,500,000.
- Employee wages and wage-related benefit costs were below projections by approximately $1,176,000 due to vacant positions throughout the year. Of this variance, $435,000 relates to wages and $741,000 is for benefits.
- Employee insurance benefits exceeded budget projections by $1,637,000, as the Benefit Stabilization Fund had to charge the General Fund additional cost to cover significant overages.
- Teaching supplies and textbook purchases were below projections by approximately $527,000.
- Teacher, paraprofessional, and clerical sub costs were under budget by $82,000.
- Legal, conference and workshops, printing and binding, and other contracted services were below budget by approximately $113,000.
- Contracted services for custodial services were below projections by approximately $62,000.
- Contracted transportation for special education was below projections by approximately $150,000
- Utility costs were under projections by approximately $308,000.
- Tuition costs paid to other districts exceeded projections by $124,000.
- Departmental budgets, on a net basis, were below projections by $131,000.

Capital Assets and Debt Administration

Capital Assets

As of June 30, 2024, the School District had $219.7 million invested in a broad range of capital assets, including land, buildings, vehicles, furniture, and equipment. This represents a net increase (including additions, disposals, and depreciation) of approximately $16.6 million from 2023 to 2024.

	Governmental Activities	
	2024	2023
Land	$ 683,744	$ 683,744
Construction in progress	53,264,377	33,962,402
Buildings and improvements	254,571,811	254,571,811
Furniture and equipment	33,549,111	26,294,345
Buses and other vehicles	10,057,126	11,416,192
Total	352,126,169	326,928,494
Less accumulated depreciation	132,392,354	123,757,860
Total capital assets - Net of accumulated depreciation	**$ 219,733,815**	**$ 203,170,634**

This year's additions of $5.5 million included safety equipment, band and orchestra instruments, various classroom/school furniture and equipment, kitchen appliances, and technology equipment.

Debt

At the end of this year, the School District had $166.7 million in bonds outstanding versus $174.0 million in the previous year - a change of 4.2 percent. Those bonds consisted of the following:

Those bonds consisted of the following:

	2024	2023
2015 general obligation bonds	$ 47,120,000	$ 50,335,000
2018 general obligation bonds	41,200,000	43,425,000
2020 general obligation bonds	52,325,000	53,200,000
2023 general obligation bonds	26,045,000	27,015,000
Total	**$ 166,690,000**	**$ 173,975,000**

The School District's general obligation bond rating continues to be Aa3 and was reviewed and affirmed in May 2023 by Moody's. The State limits the amount of general obligation debt that schools can issue to 15 percent of the assessed value of all taxable property within the School District's boundaries. If the School District issues qualified debt (i.e., debt backed by the State of Michigan), such obligations are not subject to this debt limit. The School District does not currently have any outstanding unqualified general obligation debt.

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

Economic Factors and Next Year's Budgets and Rates

Our elected officials and administration consider many factors when setting the School District's 2024-2025 fiscal year budget. One of the most important factors affecting the budget is our student count. The state foundation revenue is determined by multiplying the blended student count by the foundation allowance per pupil. The 2024-2025 budget was adopted in June 2024 with an increase in enrollment of 100 students. Approximately 57.3 percent of total General Fund revenue is from the foundation allowance. Under state law, the School District cannot access additional property tax revenue for general operations. As a result, district funding is heavily dependent on the State's ability to fund local school operations. Based on early enrollment data at the start of the 2024 school year, we anticipate that the fall student count will be on target with the projections used in creating the 2024-2025 budget. Once the final student count and related per pupil funding are validated, state law requires the School District to amend the budget if actual district resources are not sufficient to fund original appropriations.

Since the School District's revenue is heavily dependent on state funding and the health of the State's School Aid Fund, the actual revenue received depends on the State's ability to collect revenue to fund its appropriation to the School District. The State periodically holds a Revenue Estimating Conference to estimate revenue. Based on the results of the most recent conference, the State estimates funds are sufficient to fund all school districts at a targeted foundation allowance of $9,608 per pupil. The School District will be able to levy its hold harmless per pupil of $1,876, which brings the overall foundation allowance to $11,484, which is the same as the prior year.

The School District has contracts in place with all of its bargaining units through at least June 30, 2025. A two-year contract was settled through June 30, 2026 with the School District's paraprofessional and secretarial staff, the Educational Support Professionals (ESP), and a three-year contract was settled through June 30, 2027 with its bus drivers, the Farmington Transportation Association (FTA). Within the ESP contract, Level IV on the pay schedule was eliminated and all employees in Level IV moved to Level III while all Level III employees moved to Level II. Steps are provided for both years of the contract as well as on-schedule wage increases of 3 percent in each of the two years. Longevity payments also increased and will be paid to eligible employees. The FTA contract provided for an on-schedule wage increase of $1.50 per hour for bus drivers and an increase of $2.50 per hour plus 2.5 percent for mechanics. The remaining two years of the contract provide for step movement for those eligible with a 2 percent increase on schedule. Longevity payments for eligible employees were also added back into the contract.

A three-year contract through August 23, 2024 was reached with its teachers, the Farmington Education Association (FEA). Step increases will occur for those on the step schedule for each of the three years. Increases to the salary schedules were provided for 2022, 2023, and 2024 and equal 2.0 percent, 1.50 percent, and 1.0 percent, respectively. Longevity payments increased and will continue to be paid to those eligible. During 2022-2023, the School District and FEA extended the FEA contract through August 2025. The two-year contract eliminated the first 2.5 steps on the salary schedule to provide for higher starting wages to focus on attracting and keeping staff. On-scale increases and step movement were also included for both years of the contract.

A two-year contract was settled through June 30, 2025 for maintenance and nutrition staff, Farmington Maintenance and Cafeteria (FMC), and with the Farmington Association of School Administrators (FASA). The FMC contract provides for step movement and on-schedule wage increases in both years. The FASA contract eliminated the first two steps of the salary schedule to provide for higher starting wages and provided for step movement and on-schedule wage increases in both years of the contract.

Contacting the School District's Management

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

Statement of Net Position

June 30, 2024

	Governmental Activities
Assets	
Cash and investments (Note 4)	$ 55,567,758
Receivables:	
Taxes	68,500
Accounts receivable	104,169
Due from other governmental units	21,780,340
Inventory	145,805
Prepaid expenses	1,091,460
Restricted assets (Note 4)	38,432,323
Net OPEB asset (Note 10)	4,242,533
Capital assets:	
Assets not subject to depreciation (Note 6)	53,948,121
Assets subject to depreciation - Less accumulated depreciation of $132,392,354 (Note 6)	165,785,694
Total assets	341,166,703
Deferred Outflows of Resources	
Deferred pension costs (Note 10)	71,179,370
Deferred OPEB costs (Note 10)	14,458,399
Total deferred outflows of resources	85,637,769
Liabilities	
Accounts payable	7,409,938
Accrued liabilities and other	21,167,191
Unearned revenue (Note 5)	6,231,614
Noncurrent liabilities:	
Due within one year (Note 8)	9,509,530
Due in more than one year:	
Compensated absences and other long-term liabilities (Note 8)	1,912,838
Arbitrage liability	1,324,452
Net pension liability (Notes 8 and 10)	243,341,052
Bonds - Net of current portion (Note 8)	174,499,981
Total liabilities	465,396,596
Deferred Inflows of Resources	
Revenue in support of pension contributions made subsequent to the report date (Note 10)	14,753,148
Deferred pension cost reductions (Note 10)	32,401,394
Deferred OPEB cost reductions (Note 10)	35,730,900
Total deferred inflows of resources	82,885,442
Net Position (Deficit)	
Net investment in capital assets	62,296,598
Restricted:	
Debt service	656,626
Capital projects	4,807,577
Nutrition services	2,264,011
Net OPEB asset	4,242,533
Unrestricted	(195,744,911)
Total net position (deficit)	**$ (121,477,566)**

See notes to basic financial statements.

Statement of Activities

Year Ended June 30, 2024

	Expenses	Program Revenue: Charges for Services	Program Revenue: Operating Grants and Contributions	Governmental Activities: Net (Expense) Revenue and Changes in Net Position
Functions/Programs				
Primary government - Governmental activities:				
Instruction	$ 90,511,059	$ 383,849	$ 44,045,140	$ (46,082,070)
Support services	60,370,060	232,046	29,375,664	(30,762,350)
Athletics	1,895,885	119,236	-	(1,776,649)
Nutrition services	4,530,955	345,131	2,492,915	(1,692,909)
Community services	1,974,500	971,831	-	(1,002,669)
Interdistrict payments	871,453	-	-	(871,453)
Interest on long-term debt and other	6,398,172	-	-	(6,398,172)
Other debt costs	1,336,732	-	-	(1,336,732)
Depreciation expense (unallocated)*	5,574,226	-	-	(5,574,226)
Total primary government	**$ 173,463,042**	**$ 2,052,093**	**$ 75,913,719**	(95,497,230)
General revenue:				
Taxes:				
Property taxes - Levied for general purposes				44,677,102
Property taxes - Levied for debt services				14,514,210
State aid not restricted to specific purposes				61,827,944
Interest and investment earnings				5,387,194
Other				1,464,447
Total general revenue				127,870,897
Change in Net Position				32,373,667
Net Position (Deficit) - Beginning of year				(153,851,233)
Net Position (Deficit) - End of year				**$(121,477,566)**

*Unallocated depreciation excludes direct depreciation expenses of the various programs.

Governmental Funds
Balance Sheet

June 30, 2024

	General Fund	2020 Building and Site Fund	2023 Building and Site Fund	Nonmajor Funds	Total Governmental Funds
Assets					
Cash and investments (Note 4)	$ 48,344,955	$ -	$ -	$ 4,662,830	$ 53,007,785
Receivables:					
Taxes	62,000	-	-	6,500	68,500
Accounts receivable	7,515	-	-	2,700	10,215
Due from other governmental units	21,780,340	-	-	-	21,780,340
Due from other funds (Note 7)	-	-	-	4,873,067	4,873,067
Inventory	60,136	-	-	85,669	145,805
Prepaid expenses	1,039,908	-	-	-	1,039,908
Restricted assets (Note 4)	-	12,091,617	24,526,520	1,814,186	38,432,323
Total assets	**$ 71,294,854**	**$ 12,091,617**	**$ 24,526,520**	**$ 11,444,952**	**$ 119,357,943**
Liabilities					
Accounts payable	$ 2,414,343	$ 1,574,453	$ 2,437,803	$ 352,432	$ 6,779,031
Due to other funds (Note 7)	6,218,717	-	562,793	5,994	6,787,504
Accrued liabilities and other liabilities	17,170,543	-	-	8,568	17,179,111
Unearned revenue (Note 5)	6,154,517	-	-	77,097	6,231,614
Total liabilities	31,958,120	1,574,453	3,000,596	444,091	36,977,260
Fund Balances					
Nonspendable:					
Inventory	60,136	-	-	85,669	145,805
Prepaids	1,039,908	-	-	-	1,039,908
Restricted:					
Debt service	-	-	-	1,821,168	1,821,168
Capital projects	-	10,517,164	21,525,924	-	32,043,088
Nutrition services	-	-	-	2,178,342	2,178,342
Committed:					
Capital projects	-	-	-	6,034,694	6,034,694
Contractual obligations - Retirement and sick pay	1,912,838	-	-	-	1,912,838
Contractual obligations - Vacation pay	291,833	-	-	-	291,833
Cash flow deficiency for 2024-2025	7,773,604	-	-	-	7,773,604
Student activities	-	-	-	880,988	880,988
Assigned:					
Subsequent year's budget	4,118,236	-	-	-	4,118,236
Instructional Initiatives	500,000	-	-	-	500,000
Unassigned	23,640,179	-	-	-	23,640,179
Total fund balances	39,336,734	10,517,164	21,525,924	11,000,861	82,380,683
Total liabilities and fund balances	**$ 71,294,854**	**$ 12,091,617**	**$ 24,526,520**	**$ 11,444,952**	**$ 119,357,943**

See notes to basic financial statements.

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

	June 30, 2024
Fund Balances Reported in Governmental Funds	$ 82,380,683
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and are not reported in the funds:	
Cost of capital assets	352,126,169
Accumulated depreciation	(132,392,354)
Net capital assets used in governmental activities	219,733,815
Bonds payable obligations are not due and payable in the current period and are not reported in the funds	(183,348,276)
Accrued interest is not due and payable in the current period and is not reported in the funds	(1,164,542)
Some employee fringe benefits are payable over a long period of years and do not represent a claim on current financial resources; therefore, they are not reported as fund liabilities:	
Employee compensated absences	(2,204,671)
Provision for health and/or workers' compensation claims not accounted for within the Internal Service Fund	(369,402)
Net pension liability and related deferred inflows and outflows	(204,563,076)
Net OPEB asset (liability) and related deferred inflows and outflows	(17,029,968)
Revenue in support of pension contributions made subsequent to the measurement date is reported as a deferred inflow of resources in the statement of net position and is not reported in the funds	(14,753,148)
Other long-term liabilities, such as arbitrage liabilities, do not present a claim on current financial resources and are not reported as fund liabilities	(1,324,452)
Internal service funds are included as part of governmental activities	1,165,471
Net Position (Deficit) of Governmental Activities	**$ (121,477,566)**

See notes to basic financial statements.

Governmental Funds
Statement of Revenue, Expenditures, and Changes in Fund Balances

Year Ended June 30, 2024

	General Fund	2020 Building and Site Fund	2023 Building and Site Fund	Nonmajor Funds	Total Governmental Funds
Revenue					
Local sources	$ 50,042,137	$ 1,072,065	$ 1,406,123	$ 16,686,670	$ 69,206,995
State sources	101,547,161	-	-	2,957,458	104,504,619
Federal sources	11,647,211	-	-	2,452,198	14,099,409
Interdistrict sources	12,516,497	-	-	-	12,516,497
Total revenue	175,753,006	1,072,065	1,406,123	22,096,326	200,327,520
Expenditures					
Current:					
Instruction	101,491,711	-	-	-	101,491,711
Support services	65,313,828	-	-	1,259,940	66,573,768
Athletics	2,062,688	-	-	-	2,062,688
Nutrition services	-	-	-	4,820,125	4,820,125
Community services	1,792,887	-	-	-	1,792,887
Debt service:					
Principal	-	-	-	7,285,000	7,285,000
Interest on long-term debt and other	-	-	-	7,598,300	7,598,300
Other debt costs	-	-	12,280	-	12,280
Capital outlay	1,225,118	14,125,963	9,978,068	1,030,032	26,359,181
Interdistrict payments	871,453	-	-	-	871,453
Total expenditures	172,757,685	14,125,963	9,990,348	21,993,397	218,867,393
Excess of Revenue Over (Under) Expenditures	2,995,321	(13,053,898)	(8,584,225)	102,929	(18,539,873)
Other Financing Sources (Uses)					
Transfers in (Note 7)	240,826	-	-	900,000	1,140,826
Transfers out (Note 7)	(900,000)	-	-	(240,826)	(1,140,826)
Total other financing (uses) sources	(659,174)	-	-	659,174	-
Net Change in Fund Balances	2,336,147	(13,053,898)	(8,584,225)	762,103	(18,539,873)
Fund Balances - Beginning of year	37,000,587	23,571,062	30,110,149	10,238,758	100,920,556
Fund Balances - End of year	**$ 39,336,734**	**$ 10,517,164**	**$ 21,525,924**	**$ 11,000,861**	**$ 82,380,683**

See notes to basic financial statements.

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

Year Ended June 30, 2024

Net Change in Fund Balances Reported in Governmental Funds	$ (18,539,873)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; however, in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:	
Capitalized capital outlay	26,747,936
Depreciation expense	(10,184,755)
Revenue in support of pension contributions made subsequent to the measurement date	5,509,189
Repayment of bond principal is an expenditure in the governmental funds, but not in the statement of activities (where it reduces long-term debt); amortization of premium/discounts and inflows/outflows related to bond refundings are not expenses in the governmental funds	8,433,295
Interest expense is recognized in the government-wide statements as it accrues	51,833
Some employee costs (pension, OPEB, and compensated absences) do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds	22,109,690
Claims and similar costs that do not use current financial resources are not reported as expenditures in the governmental funds	(1,324,452)
Internal service funds are included as part of governmental activities - All other items	(429,196)
Change in Net Position of Governmental Activities	**$ 32,373,667**

See notes to basic financial statements.

Proprietary Fund
Statement of Net Position

June 30, 2024

	Benefit Stabilization Fund
Assets	
Current assets:	
Cash and investments (Note 4)	$ 2,559,973
Receivables	93,954
Due from other funds (Note 7)	1,914,437
Prepaid expenses	51,552
Total assets	4,619,916
Liabilities	
Current liabilities:	
Accounts payable	630,907
Accrued other liabilities (Note 9)	2,823,538
Total liabilities	3,454,445
Net Position - Unrestricted	**$ 1,165,471**

See notes to basic financial statements.

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

Year Ended June 30, 2024

	Benefit Stabilization Fund
Operating Revenue	
Charges for services	$ 17,740,400
Other	1,260,956
Total operating revenue	19,001,356
Operating Expenses - Cost of insurance claims	19,547,110
Operating Loss	(545,754)
Nonoperating Revenue	116,558
Change in Net Position	(429,196)
Net Position - Beginning of year	1,594,667
Net Position - End of year	**$ 1,165,471**

See notes to basic financial statements.

Proprietary Fund
Statement of Cash Flows

Year Ended June 30, 2024

	Benefit Stabilization Fund
Cash Flows from Operating Activities	
Receipts from interfund services and reimbursements	$ 15,682,687
Claims paid	(19,092,120)
Other receipts	1,260,956
Net cash and investments used in operating activities	(2,148,477)
Cash Flows Provided by Investing Activities - Interest received on investments	116,558
Net Decrease in Cash and Investments	(2,031,919)
Cash and Investments - Beginning of year	4,591,892
Cash and Investments - End of year	**$ 2,559,973**
Reconciliation of Operating Loss to Net Cash from Operating Activities	
Operating loss	$ (545,754)
Adjustments to reconcile operating loss to net cash from operating activities -	
Changes in assets and liabilities:	
Receivables	(93,954)
Due to and from other funds	(1,963,759)
Prepaid and other assets	(4,209)
Accounts payable	113,007
Accrued and other liabilities	346,192
Total adjustments	(1,602,723)
Net cash and investments used in operating activities	**$ (2,148,477)**

Note 1 - Nature of Business

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

Note 2 - Significant Accounting Policies

Accounting and Reporting Principles

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

Reporting Entity

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

Report Presentation

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

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

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

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

Note 2 - Significant Accounting Policies (Continued)

Fund Accounting

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

Governmental Funds

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

- The General Fund is the primary operating fund because it accounts for all financial resources used to provide government services other than those specifically assigned to another fund.
- The 2020 Building and Site Fund is a capital projects fund used to record bond proceeds and other revenue and disbursement of invoices specifically related to the remodeling of buildings for safety and security improvements; construction additions to, equipping, furnishing, reequipping, refurnishing, and remodeling buildings, including classroom, auditorium, and media center improvements; improving and developing sites, including outdoor athletic facilities, playgrounds, and structures; acquiring school buses; and acquiring and installing technology infrastructure and equipment. The fund operates until the purpose for which it was created is accomplished.
- The 2023 Building and Site Fund is a capital projects fund used to record bond proceeds and other revenue and disbursement of invoices specifically related to the remodeling of School District buildings for updates to facility infrastructures; including enhancing the School District's efforts in technology integration to support student learning and developing playgrounds and structures in the School District; and acquiring school buses. The fund operates until the purpose for which it was created is accomplished.

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

- Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes. The School District's special revenue funds include the Nutrition Services and Student Activities funds. The Nutrition Services Fund accounts for the activities associated with providing meals to students and the Student Activities Fund accounts for activities related to the transactions of student groups for school and school-related purposes. Any operating deficit generated by these activities is the responsibility of the General Fund.
- Capital projects funds are used to record bond proceeds or other revenue and the disbursement of invoices specifically designated for acquiring new school sites, buildings, and equipment; technology upgrades; and remodeling and repairs. The funds operate until the purpose for which they were created is accomplished.
- Debt service funds are used to record tax, interest, and other revenue for payment of interest, principal, and other expenditures on long-term debt.

Proprietary Funds

Proprietary funds include enterprise funds (which provide goods or services to users in exchange for charges or fees) and internal service funds (which provide goods or services to other funds of the School District).

Note 2 - Significant Accounting Policies (Continued)

The School District's internal service fund (the Benefit Stabilization Fund) is used to finance services provided to other funds on a cost-reimbursement basis. The internal service fund maintained by the School District is for medical benefits liabilities, including health, dental, and vision; administrative expenses; costs of life insurance; and long-term disability benefits. It is funded through charges to the General Fund in amounts equal to the normal estimated medical benefits expense expected to be incurred subsequent to year end and contributions from employees for their share of medical benefits.

Interfund Activity

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

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

Basis of Accounting

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

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

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

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

Specific Balances and Transactions

Cash and Investments

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments with an original maturity of greater than one year are stated at fair value, net acquisition value, or amortized cost depending on the nature of the investment. Pooled investment income from each of the School District's funds is directly allocated to each fund with an actual cash or investment account.

Note 2 - Significant Accounting Policies (Continued)

Inventories and Prepaid Items

Inventories are valued at cost on a first-in, first-out basis. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid costs of governmental funds are recorded as expenditures when consumed rather than when purchased.

Restricted Assets

The unspent bond proceeds and related interest of the 2020 and 2023 Building and Site Funds require amounts to be set aside for construction. In addition, the unspent property taxes levied on the debt service funds are required to be set aside for future bond principal and interest. These amounts have also been classified as restricted assets.

Capital Assets

Capital assets are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the School District as assets with an initial individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. Costs of normal repair and maintenance that do not add to the value or materially extend the asset life are not capitalized. The School District does not have infrastructure-type assets.

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

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

Construction in progress and land are not depreciated. Construction in progress is reclassified to the appropriate category once placed in service. It is then depreciated according to the useful lives listed in the above table.

Long-term Obligations

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

Deferred Outflows/Inflows of Resources

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

Note 2 - Significant Accounting Policies (Continued)

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

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

The School District reports deferred inflows related to revenue in support of pension contributions made subsequent to the measurement date and deferred pension and OPEB plan cost reductions.

Net Position

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

Net Position Flow Assumption

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

Fund Balance Flow Assumptions

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

Fund Balance Policies

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

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

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

Note 2 - Significant Accounting Policies (Continued)

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School District's highest level of decision-making authority. The Board of Education is the highest level of decision-making authority for the School District that can, by passing a resolution prior to the end of the fiscal year, commit fund balance. Once passed, the limitation imposed by the resolution remains in place until a similar action is taken (the passing of another resolution) to remove or revise the limitation. The Board of Education has committed certain funds to ensure cash flow stabilization of the School District when cash flow is at the lowest point during the year and to mitigate the need to borrow from a financial institution. The amount, as determined and adjusted on an annual basis as part of the budget preparation process, is classified as a component of committed fund balance in the General Fund.

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

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

The fund balance target prescribes the minimum fund balance as 10 to 15 percent of expenditures in the General Fund. This is deemed to be the prudent amount to provide working capital to meet cash flow needs and avoid borrowing and provide for unanticipated or emergency expenditures.

Property Tax Revenue

Property taxes are levied on July 1 for taxes due on August 31 and on December 1 for the remainder on the taxable valuation of property as of the preceding December 31. Taxes are considered delinquent on March 1 of the following year, at which time penalties and interest are assessed. The School District considers all receivables to be fully collectible; accordingly, no allowance for uncollectible amounts is recorded.

Grants and Contributions

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

Note 2 - Significant Accounting Policies (Continued)

Pension and Other Postemployment Benefit (OPEB) Plans

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

Compensated Absences (Vacation and Sick Leave)

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

Proprietary Funds Operating Classification

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of proprietary funds is charges to governmental funds to provide employee benefits and services. Operating expenses for these funds include the cost of benefits and administrative expenses. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

Tax Abatement

The School District evaluated tax abatements and considered the total property tax abatements to be insignificant.

Use of Estimates

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

Upcoming Accounting Pronouncements

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

Note 2 - Significant Accounting Policies (Continued)

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

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

Note 3 - Stewardship, Compliance, and Accountability

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles and state law for the General Fund and all special revenue funds. All annual appropriations lapse at fiscal year end. The School District also elected to adopt annual budgets for its debt service funds and capital projects funds. The budget document presents information by fund and function. The legal level of budgetary control adopted by the governing body (i.e., the level at which expenditures may not legally exceed appropriations) is the function level. State law requires the School District to have its budget in place by July 1. Expenditures in excess of amounts budgeted are a violation of Michigan law. State law permits districts to amend their budgets during the year. During the year, the budget was amended in a legally permissible manner. There were significant revisions made to the 2023-2024 General Fund original budget. Budgeted revenue was increased by $12.8 million Budgeted revenue was increased by $12.8 million due to a decrease in local revenue ($0.2 million) for property tax revenue due to the changes in taxable values; an increase in state funding ($11.5 million) due to increased funding for the MPSERS retirement costs (which includes $2.0 million in flow through funds for the Unfunded Actuarial Accrued Liability), and state grant funding for At-Risk, Mental Health, Safety and Security and special education programs, an increase in federal grant funds ($1.2 million) based upon current grant awards, as well as an increase in interdistrict revenue ($0.3 million) due to increase special education and transportation revenue from the Intermediate School District (ISD).

The required supplementary information budgetary comparison schedules are presented on the same basis of accounting used to prepare the budget, which includes certain items having classifications that differ from the statement of revenue, expenditures, and changes in fund balances, including capital outlay expenditures being reported in other expenditure categories and a transfer in being reported in the nutrition services fund.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders or contracts) outstanding at year end are reported as restrictions, commitments, or assignments of fund balances and do not constitute expenditures or liabilities because the goods or services have not been received as of year end; the commitments will be reappropriated and honored during the subsequent year. Since all encumbrances are budgeted for in 2023-2024, no encumbrances are included in assigned fund balance at June 30, 2024.

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

Excess of Appropriations in Budgeted Funds Over Expenditures

The School District did not have significant expenditure budget variances.

Capital Projects Fund Compliance

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

Note 4 - Deposits and Investments

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

The School District has designated one bank for the deposit of its funds.

There are no limitations or restrictions on participant withdrawals for the investment pools that are recorded at amortized cost except for a 1-day minimum investment period. MAX CLASS investments may not be redeemed for at least 14 calendar days, with the exception of direct investments of funds distributed by the State of Michigan. Redemptions made prior to the applicable 14-day period are subject to a penalty equal to 15 days' interest on the amount so redeemed.

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

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits may not be returned to it. The School District's investment policy requires that financial institutions be evaluated and only those with an acceptable risk level be used for the School District's deposits for custodial credit risk. At June 30, 2024, the School District did not have any deposit balance, as all balances are held with the Michigan Liquid Asset Fund and are uninsured.

Custodial Credit Risk of Investments

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

Note 4 - Deposits and Investments (Continued)

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The School District's investment policy does not restrict investment maturities other than commercial paper, which can only be purchased with a 270-day maturity. The School District's policy minimizes interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the open market; investing operating funds primarily in the shorter-term securities, liquid asset funds, money market mutual funds, or similar investment pools; and limiting the average maturity in accordance with the School District's cash requirements.

Credit Risk

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The School District's investment policy allows only purchases of commercial paper with ratings of AI/PI and AA/Aa. As of year end, the credit quality ratings of the School District's investments (other than the U.S. government) are as follows:

Investment	Value	Maturities	Rating	Rating Organization
Michigan Liquid Asset Fund - Cash Management Class*	$ 10,199,774	N/A 2a7-like pool	AAAm	S&P
Michigan Liquid Asset Fund - MAX Class*	73,867,451	N/A 2a7-like pool	AAAm	S&P
Michigan Liquid Asset Fund - Term Series Sept 2025	5,000,000	7/24/2024	AAAf	Fitch
Michigan Liquid Asset Fund - Term Series Sept 2025	5,191,472	9/9/2024	AAAf	Fitch
Total	$ 94,258,697			

*Investments are valued at amortized cost rather than fair value

Foreign Currency Risk

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

Note 5 - Unavailable/Unearned Revenue

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

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

	Governmental Funds	
	Deferred Inflow - Unavailable	Liability - Unearned
Tuition and other	$ -	$ 253,800
Grant and categorical aid payment received prior to meeting all eligibility requirements	-	5,977,814
Total	$ -	$ 6,231,614

Note 6 - Capital Assets

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

	Balance July 1, 2023	Reclassifications	Additions	Disposals and Adjustments	Balance June 30, 2024
Capital assets not being depreciated:					
Land	$ 683,744	$ -	$ -	$ -	$ 683,744
Construction in progress	33,962,402	(1,945,202)	21,247,177	-	53,264,377
Subtotal	34,646,146	(1,945,202)	21,247,177	-	53,948,121
Capital assets being depreciated:					
Buildings and improvements	254,571,811	-	-	-	254,571,811
Furniture and equipment	26,294,345	1,945,202	5,309,564	-	33,549,111
Buses and other vehicles	11,416,192	-	191,195	(1,550,261)	10,057,126
Subtotal	292,282,348	1,945,202	5,500,759	(1,550,261)	298,178,048
Accumulated depreciation:					
Buildings and improvements	101,479,328	-	7,707,785	-	109,187,113
Furniture and equipment	14,321,272	-	1,738,165	-	16,059,437
Buses and other vehicles	7,957,260	-	738,805	(1,550,261)	7,145,804
Subtotal	123,757,860	-	10,184,755	(1,550,261)	132,392,354
Net capital assets being depreciated	168,524,488	1,945,202	(4,683,996)	-	165,785,694
Net governmental activities capital assets	$ 203,170,634	$ -	$ 16,563,181	$ -	$ 219,733,815

Depreciation expense was charged to programs of the primary government as follows:

Governmental activities:	
Instruction	$ 2,855,453
Support services	1,324,433
Community services	430,643
Unallocated	5,574,226
Total governmental activities	$ 10,184,755

Construction Commitments

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

	Spent to Date	Remaining Commitment
2023 Bond Issue	$ 5,385,320	$ 5,772,277
2020 Bond Issue	40,151,152	737,240
Total	$ 45,536,472	$ 6,509,517

Note 7 - Interfund Receivables, Payables, and Transfers

The composition of interfund balances is as follows:

	Fund Due From			
Fund Due To	General Fund	2023 Building and Site Fund	Nonmajor Funds	Total
Nonmajor funds	$ 4,304,280	$ 562,793	$ 5,994	$ 4,873,067
Benefit Stabilization Fund	1,914,437	-	-	1,914,437
Total	$ 6,218,717	$ 562,793	$ 5,994	$ 6,787,504

The General Fund maintains the majority of the cash and investment accounts. Interfund balances are created upon recording the revenue and expenditures for each applicable fund. All interfund balances are expected to be repaid within one year.

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

Paying Fund (Transfer Out)	Receiving Fund (Transfer In)	Amount
General Fund	Nonmajor governmental funds	$ 900,000
Nonmajor governmental funds	General Fund	240,826
	Total	$ 1,140,826

General Fund transfers out are used by the applicable funds to support and maintain the operations of the funds for the purpose for which they were created. Nutrition services funds are transferred to the General Fund to cover indirect costs related to operations for the Nutrition Services Fund.

Note 8 - Long-term Debt

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds payable:					
Other debt - General obligation	$ 173,975,000	$ -	$ (7,285,000)	$ 166,690,000	$ 7,700,000
Unamortized bond premiums	17,806,571	-	(1,148,295)	16,658,276	1,148,295
Total bonds payable	191,781,571	-	(8,433,295)	183,348,276	8,848,295
Compensated absences	2,445,887	-	(241,216)	2,204,671	291,833
Workers' compensation	235,295	417,643	(283,536)	369,402	369,402
Arbitrage liability	-	1,324,452	-	1,324,452	-
Net pension liability	279,108,323	-	(35,767,271)	243,341,052	-
Total governmental activities long-term debt	$ 473,571,076	$ 1,742,095	$ (44,725,318)	$ 430,587,853	$ 9,509,530

Note 8 - Long-term Debt (Continued)

General Obligation Bonds and Contracts

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

Purpose	Remaining Annual Installments	Interest Rate (Percent)	Maturing May 1	Outstanding
$81,050,000 qualified serial bonds (2015 issue)	$3,380,000 - $5,145,000	5.00	2035	$ 47,120,000
$54,675,000 qualified serial bonds (2018 issue)	$2,300,000 - $3,800,000	3.00 - 4.50	2038	41,200,000
$57,265,000 qualified serial bonds (2020 issue)	$1,000,000 - $8,875,000	4.00 - 5.00	2040	52,325,000
$27,015,000 qualified serial bonds (2023 issue)	$500,000 - $1,705,000	5.00	2043	26,045,000
Total governmental activities				$ 166,690,000

Debt Service Requirements to Maturity

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

	Governmental Activities		
	Other Debt		
Years Ending June 30	Principal	Interest	Total
2025	$ 7,700,000	$ 7,273,844	$ 14,973,844
2026	8,325,000	6,934,844	15,259,844
2027	7,750,000	6,565,594	14,315,594
2028	8,180,000	6,226,594	14,406,594
2029	8,825,000	5,867,594	14,692,594
2030-2034	51,420,000	22,990,314	74,410,314
2035-2039	58,795,000	10,849,282	69,644,282
2040-2043	15,695,000	1,207,500	16,902,500
Total	$ 166,690,000	$ 67,915,566	$ 234,605,566

Note 9 - Risk Management

The School District is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The School District participates in Middle Cities Risk Management Trust risk pool for claims relating to property loss, torts, and errors and omissions. The School District is partially insured for workers' compensation and medical claims.

The shared-risk pool program in which the School District participates operates as a common risk-sharing management program for school districts in Michigan; member premiums are used to purchase commercial excess insurance coverage and to pay member claims in excess of deductible amounts. There have been no significant reductions in insurance coverage from the prior year. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

Note 9 - Risk Management (Continued)

Under the School District's workers' compensation plan, the School District's current maximum loss is limited to 100 percent of the normal workers' compensation premiums. Losses in excess of the percent limitation are insured up to an aggregate limit of $5,000,000. The School District is also insured against losses in excess of $100,000 to $500,000 for each occurrence, depending on the year the claim was made.

The School District estimates the liability for workers' compensation claims that have been incurred through the end of the fiscal year, including claims that have been reported and those that have not yet been reported. These estimates are recorded as long-term debt in the government-wide financial statements, as they are not considered due at June 30. At June 30, 2024, $369,402 is recorded as long-term debt.

The School District is self-insured for medical claims. The School District estimates the liability for medical claims that have been incurred through the end of the fiscal year, including claims that have been reported, as well as those that have not yet been reported. These estimates are recorded as accrued liabilities in the internal service fund. At June 30, 2024, the estimated liability for these medical claims totals $2,823,538.

Changes in the estimated liability for the past two fiscal years were as follows:

	Workers' Compensation		Medical	
	2024	2023	2024	2023
Estimated liability - Beginning of year	$ 235,296	$ 226,713	$ 2,477,346	$ 2,390,659
Estimated claims incurred, including changes in estimates	417,642	172,832	17,573,955	14,719,455
Claim payments	(283,536)	(164,250)	(17,227,763)	(14,632,768)
Estimated liability - End of year	$ 369,402	$ 235,295	$ 2,823,538	$ 2,477,346

Note 10 - Michigan Public School Employees' Retirement System

Plan Description

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

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

Benefits Provided

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

Note 10 - Michigan Public School Employees' Retirement System (Continued)

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

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

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

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

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

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

Contributions

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

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

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

Note 10 - Michigan Public School Employees' Retirement System (Continued)

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

The ranges of rates are as follows:

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

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

The School District's required and actual pension contributions to the plan for the year ended June 30, 2024 were $32,824,434, which includes the School District's contributions required for those members with a defined contribution benefit. For the year ended June 30, 2024, the School District's required and actual pension contributions include an allocation of $14,753,148 in revenue received from the State of Michigan and remitted to the System to fund the MPSERS unfunded actuarial accrued liability (UAAL) stabilization rate.

The School District's required and actual OPEB contributions to the plan for the year ended June 30, 2024 were $7,075,876, which includes the School District's contributions required for those members with a defined contribution benefit.

Net Pension Liability

At June 30, 2024, the School District reported a liability of $243,341,052 for its proportionate share of the net pension liability. The net pension liability was measured as of September 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of September 30, 2022, which used update procedures to roll forward the estimated liability to September 30, 2023. The School District's proportion of the net pension liability was based on a projection of its long-term share of contributions to the pension plan relative to the projected contributions of all participating reporting units, actuarially determined. At September 30, 2023 and 2022, the School District's proportion was 0.75 and 0.74 percent, respectively, representing a change of 1.30 percent.

Net OPEB Asset

At June 30, 2024, the School District reported an asset of $(4,242,533) for its proportionate share of the net OPEB asset. The net OPEB asset for fiscal year 2024 was measured as of September 30, 2023, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of September 30, 2022, which used update procedures to roll forward the estimated asset to September 30, 2023. The School District’s proportion of the net OPEB asset was based on a projection of its long-term share of contributions to the OPEB plan relative to the projected contributions of all participating reporting units, actuarially determined. At September 30, 2023 and 2022, the School District’s proportion was 0.750 and 0.752 percent, respectively, representing a change of (0.29) percent.

Note 10 - Michigan Public School Employees' Retirement System (Continued)

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

For 2024, the School District recognized pension expense of $25,027,556, inclusive of payments to fund the MPSERS UAAL stabilization rate. At June 30, 2024, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 7,681,535	$ (372,760)
Changes in assumptions	32,973,820	(19,011,955)
Net difference between projected and actual earnings on pension plan investments	-	(4,979,546)
Changes in proportion and differences between the School District's contributions and proportionate share of contributions	2,318,473	(8,037,133)
The School District's contributions to the plan subsequent to the measurement date	28,205,542	-
Total	$ 71,179,370	$ (32,401,394)

The $14,753,148 reported as deferred inflows of resources resulting from the pension portion of state aid payments received pursuant to the UAAL payment will be recognized as state appropriations revenue for the year ending June 30, 2025. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ending	Amount
2025	$ 1,270,098
2026	1,878,637
2027	10,673,571
2028	(3,249,872)
Total	$ 10,572,434

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

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

For the year ended June 30, 2024, the School District recognized OPEB recovery of $8,789,710.

Note 10 - Michigan Public School Employees' Retirement System (Continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ (32,058,757)
Changes in assumptions	9,444,618	(1,137,311)
Net difference between projected and actual earnings on OPEB plan investments	12,935	-
Changes in proportionate share or difference between amount contributed and proportionate share of contributions	9,418	(2,534,832)
Employer contributions to the plan subsequent to the measurement date	4,991,428	-
Total	$ 14,458,399	$ (35,730,900)

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

Years Ending	Amount
2025	$ (8,858,486)
2026	(8,218,060)
2027	(3,187,099)
2028	(2,794,157)
2029	(2,123,870)
Thereafter	(1,082,257)
Total	$ (26,263,929)

Actuarial Assumptions

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

Actuarial cost method		Entry age normal
Investment rate of return - Pension	6.00%	Net of investment expenses based on the groups
Investment rate of return - OPEB	6.00%	Net of investment expenses based on the groups
Salary increases	2.75% - 11.55%	Including wage inflation of 2.75 percent for 2019 and 3.50 percent for 2018
Health care cost trend rate - OPEB	6.25% - 7.50%	Year 1, graded to 3.5 percent in year 15, 3.0 percent in year 120
Mortality basis		PubT-2010 Male and Female Employee Mortality tables, scaled 100 percent (retirees: 116 percent for males and 116 percent for females) and adjusted for mortality improvements using projection scale MP2021 from 2010
Cost of living pension adjustments	3.00%	Annual noncompounded for MIP members

Note 10 - Michigan Public School Employees' Retirement System (Continued)

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

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

Discount Rate

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

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

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

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

Note 10 - Michigan Public School Employees' Retirement System (Continued)

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

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

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

	1 Percentage Point Decrease (5.00%)	Current Discount Rate (6.00%)	1 Percentage Point Increase (7.00%)
Net pension liability of the School District	$ 328,753,049	$ 243,341,052	$ 172,232,477

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

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

	1 Percentage Point Decrease (5.00%)	Current Discount Rate (6.00%)	1 Percentage Point Increase (7.00%)
Net OPEB liability (asset) of the School District	$ 4,398,234	$ (4,242,533)	$ (11,668,423)

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

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

	1 Percentage Point Decrease	Current Discount Rate	1 Percentage Point Increase
Net OPEB (asset) liability of the School District	$ (11,686,938)	$ (4,242,533)	$ 3,814,754

Pension Plan and OPEB Plan Fiduciary Net Position

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

Payable to the Pension Plan and OPEB Plan

At June 30, 2024, the School District reported a payable of $4,647,381 and $729,197 for the outstanding amount of contributions to the pension plan and OPEB plan, respectively, required for the year ended June 30, 2024.

Note 11 - Contingent Liabilities

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

Required Supplementary Information

Required Supplementary Information
Budgetary Comparison Schedule
General Fund

Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	(Under) Over Final Budget
Revenue				
Local sources	$ 50,451,124	$ 50,176,661	$ 50,042,137	$ (134,524)
State sources	95,608,387	107,153,797	101,547,161	(5,606,636)
Federal sources	12,627,561	13,796,499	11,647,211	(2,149,288)
Interdistrict sources	12,232,697	12,577,974	12,516,497	(61,477)
Total revenue	170,919,769	183,704,931	175,753,006	(7,951,925)
Expenditures				
Current:				
Instruction:				
Basic programs	71,558,913	75,816,751	75,202,674	(614,077)
Added needs	28,836,034	29,741,949	26,290,068	(3,451,881)
Adult/Continuing education	211,362	277,891	123,640	(154,251)
Total instruction	100,606,309	105,836,591	101,616,382	(4,220,209)
Support services:				
Pupil	18,088,302	21,467,251	19,129,063	(2,338,188)
Instructional staff	9,790,307	11,619,463	9,964,398	(1,655,065)
General administration	1,267,121	1,334,007	1,309,536	(24,471)
School administration	7,631,300	7,609,152	7,728,411	119,259
Business	1,644,770	1,593,150	1,672,398	79,248
Operations and maintenance	13,049,945	13,152,754	12,791,996	(360,758)
Pupil transportation services	7,297,833	8,064,155	8,063,965	(190)
Central	4,731,646	4,896,632	4,675,233	(221,399)
Other	74,500	436,533	214,931	(221,602)
Total support services	63,575,724	70,173,097	65,549,931	(4,623,166)
Building and site improvements	-	838,882	838,882	-
Athletics	2,335,200	2,097,540	2,088,150	(9,390)
Community services	2,038,494	2,301,589	1,792,887	(508,702)
Interdistrict payments	1,115,270	798,382	871,453	73,071
Total expenditures	169,670,997	182,046,081	172,757,685	(9,288,396)
Excess of Revenue Over Expenditures	1,248,772	1,658,850	2,995,321	1,336,471
Other Financing Sources (Uses)				
Transfers in	176,127	265,209	240,826	(24,383)
Transfers out	(900,000)	(900,000)	(900,000)	-
Total other financing uses	(723,873)	(634,791)	(659,174)	(24,383)
Net Change in Fund Balance	524,899	1,024,059	2,336,147	1,312,088
Fund Balance - Beginning of year	37,000,587	37,000,587	37,000,587	-
Fund Balance - End of year	**$ 37,525,486**	**$ 38,024,646**	**$ 39,336,734**	**$ 1,312,088**

See notes to required supplementary information.

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

Last Ten Plan Years

Plan Years Ended September 30

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.75184 %	0.74214 %	0.76500 %	0.79680 %	0.82486 %	0.83564 %	0.85024 %	0.91075 %	0.96979 %	1.00461 %
School District's proportionate share of the net pension liability	$ 243,341,052	$ 279,108,323	$ 181,117,983	$ 273,709,279	$ 273,164,256	$ 251,209,675	$ 220,333,627	$ 227,224,167	$ 236,872,217	$ 221,281,477
School District's covered payroll	$ 74,376,152	$ 72,395,706	$ 67,370,156	$ 68,477,779	$ 71,385,804	$ 70,402,116	$ 69,554,738	$ 74,553,881	$ 80,556,310	$ 85,259,183
School District's proportionate share of the net pension liability as a percentage of its covered payroll	327.18 %	385.53 %	268.84 %	399.71 %	382.66 %	356.82 %	316.78 %	304.78 %	294.05 %	259.54 %
Plan fiduciary net position as a percentage of total pension liability	65.91 %	60.77 %	72.32 %	59.49 %	60.08 %	62.12 %	63.96 %	63.01 %	62.92 %	66.15 %

See notes to required supplementary information.

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

Last Ten Fiscal Years

Years Ended June 30

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	$ 31,971,093	$ 34,439,082	$ 24,757,127	$ 22,649,203	$ 21,739,509	$ 21,669,555	$ 21,055,508	$ 19,972,010	$ 20,859,210	$ 15,602,264
Contributions in relation to the statutorily required contribution	31,971,093	34,439,082	24,757,127	22,649,203	21,739,509	21,669,555	21,055,508	19,972,010	20,859,210	15,602,264
Contribution Excess	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
School District's Covered Payroll	$ 81,434,530	$ 75,853,359	$ 71,490,843	$ 67,043,340	$ 69,479,774	$ 71,456,642	$ 70,148,520	$ 69,805,215	$ 73,117,969	$ 81,965,999
Contributions as a Percentage of Covered Payroll	39.26 %	45.40 %	34.63 %	33.78 %	31.29 %	30.33 %	30.02 %	28.61 %	28.53 %	19.04 %

See notes to required supplementary information.

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

Last Seven Plan Years

Plan Years Ended September 30

	2023	2022	2021	2020	2019	2018	2017
School District's proportion of the net OPEB (asset) liability	0.74996 %	0.75220 %	0.75393 %	0.77685 %	0.81985 %	0.82904 %	0.85123 %
School District's proportionate share of the net OPEB (asset) liability	$ (4,242,533)	$ 15,932,059	$ 11,507,883	$ 41,618,029	$ 58,846,764	$ 65,900,323	$ 75,380,729
School District's covered payroll	$ 74,376,152	$ 72,395,706	$ 67,370,156	$ 68,477,779	$ 71,385,804	$ 70,402,116	$ 69,554,738
School District's proportionate share of the net OPEB (asset) liability as a percentage of its covered payroll	(5.70)%	22.01 %	17.08 %	60.78 %	82.43 %	93.61 %	108.38 %
Plan fiduciary net position as a percentage of total OPEB liability	105.04 %	83.09 %	88.87 %	59.76 %	48.67 %	43.10 %	36.53 %

See notes to required supplementary information.

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

Last Seven Fiscal Years

Years Ended June 30

	2024	2023	2022	2021	2020	2019	2018
Statutorily required contribution	$ 6,588,921	$ 5,976,034	$ 5,731,528	$ 5,520,920	$ 5,547,682	$ 5,588,588	$ 5,057,398
Contributions in relation to the statutorily required contribution	6,588,921	5,976,034	5,731,528	5,520,920	5,547,682	5,588,588	5,057,398
Contribution Excess	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
School District's Covered Payroll	$ 81,434,530	$ 75,853,359	$ 71,490,843	$ 67,043,340	$ 69,479,774	$ 71,456,642	$ 70,148,520
Contributions as a Percentage of Covered Payroll	8.09 %	7.88 %	8.02 %	8.23 %	7.98 %	7.82 %	7.21 %

See notes to required supplementary information.

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and all special revenue funds. The Capital Projects Funds are not budgeted in accordance with generally accepted accounting principles. All annual appropriations lapse at fiscal year end. The School District also elected to adopt annual budgets for its debt service funds and capital projects funds.

The budget document presents information by fund, function, department, and line items. The legal level of budgetary control adopted by the governing body (i.e., the level at which expenditures may not legally exceed appropriations) is the function level. State law requires the School District to have its budget in place by July 1. Expenditures in excess of amounts budgeted are a violation of Michigan law. State law permits districts to amend their budgets during the year. During the year, the budget was amended in a legally permissible manner. There were no significant amendments during the year.

The School District did not have significant expenditure budget variances.

Pension Information

Benefit Changes

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

Changes in Assumptions

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

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

OPEB Information

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

Benefit Changes

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

Changes in Assumptions

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

- 2023 - The health care cost trend rate used in the September 30, 2023 actuarial valuation decreased by 0.25 percentage points for members under 65 and increased by 1.00 percentage point for members over 65. In addition, actual per person health benefit costs were lower than projected. The valuation includes the impact of an updated experience study for periods from 2017 to 2022.

- 2022 - The discount rate and investment rate used in the September 30, 2021 actuarial valuation decreased by 0.95 percentage points. This resulted in a lower than projected per person health benefit cost to reduce the plan's total OPEB liability by an additional $1.1 billion in 2022.
- 2021 - The health care cost trend rate used in the September 30, 2020 actuarial valuation increased by 0.75 percentage points for members under 65 and decreased by 1.75 percentage points for members over 65. In addition, actual per person health benefit costs were lower than projected. This reduced the plan's total OPEB liability by $1.3 billion in 2021.
- 2020 - The health care cost trend rate used in the September 30, 2019 actuarial valuation decreased by 0.50 percentage points. This, in addition to actual per person health benefit costs being lower than projected, reduced the plan's total OPEB liability by an additional $1.8 billion in 2020.
- 2019 - The discount rate used in the September 30, 2018 actuarial valuation decreased by 0.20 percentage points. The valuation also includes the impact of an updated experience study for periods from 2012 to 2017. This resulted in a lower than projected per person health benefit cost to reduce the plan's total OPEB liability by an additional $1.4 billion in 2019.
- 2018 - The discount rate used in the September 30, 2017 actuarial valuation decreased by 0.35 percentage points. The valuation also includes the impact of an updated experience study for periods from 2012 to 2017. This resulted in a lower than projected per person health benefit cost to reduce the plan's total OPEB liability by an additional $1.4 billion in 2018.

Other Supplementary Information

Special Revenue Funds

The 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 maintains full control of these funds. The special revenue funds used within the School District are the Nutrition Services Fund and the Student Activities Fund.

The Nutrition Services Fund records all transactions associated with the mandated federal school lunch program, including federal and State revenue and revenue from student paid lunches, as well as costs associated with the program. Any operating surplus in the Nutrition Services Fund remains in this fund.

The Student Activities Fund records all receipts and disbursement of money from student-related activities, such as fees, extracurricular activities, and fundraising events.

Debt Service Funds

Debt service funds are used to record tax and interest revenue and the payment of interest, principal, and other expenditures on long-term debt.

Capital Projects Funds

Historically, these funds have been used to account for financial resources to be used for the acquisition, construction, or major renovation of facilities.

The School District separated these funds into distinct funds: Technology/Other Projects, Maintenance/Bus Purchases, 2020 Building and Site, and 2023 Building and Site. The 2020 Building and Site and 2023 Building and Site funds are reported as major funds in the balance sheet and statement of revenue, expenditures, and changes in fund balances.

The capital projects (Technology/Other Projects Fund) will be used for the replacement and addition of computers and other related technology. The revenue source for this fund is a transfer from the General Fund.

The capital projects (Maintenance/Bus Purchases Fund) will be used to purchase buses, fund maintenance projects throughout the School District and purchase property in the short term. The revenue source for this fund is a transfer from the General Fund.

The capital projects (2018 Building and Site Fund) contains proceeds of the 2018 bond issue to be used for continued remodeling of buildings for safety and security improvements; constructing additions to, equipping, furnishing, reequipping, refurnishing, and remodeling buildings, including classroom, auditorium, and media center improvements; improving and developing sites, including outdoor athletic facilities, playgrounds, and structures; acquiring school buses and acquiring and installing technology infrastructure and equipment.

Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds

June 30, 2024

	Special Revenue Funds		Debt Service Funds				Capital Project Funds			
	Nutrition Services	Student Activities	2015 Issue	2018 Issue	2020 Issue	2023 Issue	Technology/ Other Projects	Maintenance/ Bus Purchases	2018 Building and Site	Total
Assets										
Cash and investments	$ 2,063,189	$ 905,079	$ -	$ -	$ -	$ -	$ 1,694,562	$ -	$ -	$ 4,662,830
Receivables:										
Taxes	-	-	2,500	1,500	1,500	1,000	-	-	-	6,500
Accounts receivable	-	2,700	-	-	-	-	-	-	-	2,700
Due from other funds	532,245	-	392	252	-	46	300,000	4,040,132	-	4,873,067
Inventory	85,669	-	-	-	-	-	-	-	-	85,669
Restricted assets	-	-	692,992	489,466	414,285	217,443	-	-	-	1,814,186
Total assets	**$ 2,681,103**	**$ 907,779**	**$ 695,884**	**$ 491,218**	**$ 415,785**	**$ 218,489**	**$ 1,994,562**	**$ 4,040,132**	**$ -**	**$ 11,444,952**
Liabilities										
Accounts payable	$ 332,206	$ 20,226	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 352,432
Due to other funds	-	5,786	-	-	208	-	-	-	-	5,994
Accrued liabilities and other	7,789	779	-	-	-	-	-	-	-	8,568
Unearned revenue	77,097	-	-	-	-	-	-	-	-	77,097
Total liabilities	417,092	26,791	-	-	208	-	-	-	-	444,091
Fund Balances										
Nonspendable - Inventory	85,669	-	-	-	-	-	-	-	-	85,669
Restricted:										
Debt service	-	-	695,884	491,218	415,577	218,489	-	-	-	1,821,168
Nutrition services	2,178,342	-	-	-	-	-	-	-	-	2,178,342
Committed:										
Capital projects	-	-	-	-	-	-	1,994,562	4,040,132	-	6,034,694
Student activities	-	880,988	-	-	-	-	-	-	-	880,988
Total fund balances	2,264,011	880,988	695,884	491,218	415,577	218,489	1,994,562	4,040,132	-	11,000,861
Total liabilities and fund balances	**$ 2,681,103**	**$ 907,779**	**$ 695,884**	**$ 491,218**	**$ 415,785**	**$ 218,489**	**$ 1,994,562**	**$ 4,040,132**	**$ -**	**$ 11,444,952**

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

Year Ended June 30, 2024

	Special Revenue Funds		Debt Service Funds				Capital Project Funds			
	Nutrition Services	Student Activities	2015 Issue	2018 Issue	2020 Issue	2023 Issue	Technology/ Other Projects	Maintenance/ Bus Purchases	2018 Building and Site	Total
Revenue										
Local sources	$ 461,822	$ 1,295,006	$ 5,612,081	$ 3,649,290	$ 3,059,194	$ 2,511,325	$ 88,628	$ -	$ 9,324	$ 16,686,670
State sources	2,783,575	-	65,206	42,384	36,407	29,886	-	-	-	2,957,458
Federal sources	2,452,198	-	-	-	-	-	-	-	-	2,452,198
Total revenue	5,697,595	1,295,006	5,677,287	3,691,674	3,095,601	2,541,211	88,628	-	9,324	22,096,326
Expenditures										
Current:										
Support services	-	1,259,940	-	-	-	-	-	-	-	1,259,940
Nutrition services	4,820,125	-	-	-	-	-	-	-	-	4,820,125
Debt service:										
Principal	-	-	3,215,000	2,225,000	875,000	970,000	-	-	-	7,285,000
Interest on long-term debt and other	-	-	2,521,040	1,481,883	2,242,655	1,352,722	-	-	-	7,598,300
Capital outlay	892,700	-	-	-	-	-	-	-	137,332	1,030,032
Total expenditures	5,712,825	1,259,940	5,736,040	3,706,883	3,117,655	2,322,722	-	-	137,332	21,993,397
Excess of Revenue (Under) Over Expenditures	(15,230)	35,066	(58,753)	(15,209)	(22,054)	218,489	88,628	-	(128,008)	102,929
Other Financing Sources (Uses)										
Transfers in	-	-	-	-	-	-	300,000	600,000	-	900,000
Transfers out	(240,826)	-	-	-	-	-	-	-	-	(240,826)
Total other financing (uses) sources	(240,826)	-	-	-	-	-	300,000	600,000	-	659,174
Net Change in Fund Balances	(256,056)	35,066	(58,753)	(15,209)	(22,054)	218,489	388,628	600,000	(128,008)	762,103
Fund Balances - Beginning of year	2,520,067	845,922	754,637	506,427	437,631	-	1,605,934	3,440,132	128,008	10,238,758
Fund Balances - End of year	**$ 2,264,011**	**$ 880,988**	**$ 695,884**	**$ 491,218**	**$ 415,577**	**$ 218,489**	**$ 1,994,562**	**$ 4,040,132**	**$ -**	**$ 11,000,861**

Other Supplementary Information
Budgetary Comparison Schedule - Major Funds
2020 Building and Site

Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	(Under) Over Final Budget
Revenue - Local source	$ 1,400,000	$ 1,400,000	$ 1,072,065	$ (327,935)
Expenditures - Capital projects	23,296,640	23,296,640	14,125,963	9,170,677
Net Change in Fund Balance - Excess of expenditures over revenue	(21,896,640)	(21,896,640)	(13,053,898)	8,842,742
Fund Balance - Beginning of year	23,571,062	23,571,062	23,571,062	-
Fund Balance - End of year	**$ 1,674,422**	**$ 1,674,422**	**$ 10,517,164**	**$ 8,842,742**

See notes to required supplementary information.

Other Supplementary Information
Budgetary Comparison Schedule - Major Funds (Continued)
2023 Building and Site Fund

Year Ended June 30, 2024

	Original Budget	Amended Budget	Actual	(Under) Over Final Budget
Revenue - Local source	$ 1,500,000	$ 1,500,000	$ 1,406,123	$ (93,877)
Expenditures - Capital projects	5,000,000	10,000,000	9,990,348	9,652
Net Change in Fund Balance - Excess of expenditures over revenue	(3,500,000)	(8,500,000)	(8,584,225)	(84,225)
Fund Balance - Beginning of year	30,110,149	30,110,149	30,110,149	-
Fund Balance - End of year	**$ 26,610,149**	**$ 21,610,149**	**$ 21,525,924**	**$ (84,225)**

Other Supplementary Information
Budgetary Comparison Schedule - Nonmajor Funds
Nutrition Services

Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	(Under) Over Final Budget
Revenue				
Local sources	$ 1,565,723	$ 442,298	$ 384,481	$ (57,817)
State sources	159,066	2,638,447	2,783,575	145,128
Federal sources	2,029,497	2,340,107	2,452,198	112,091
Total revenue	3,754,286	5,420,852	5,620,254	199,402
Expenditures - Nutrition services	4,353,036	5,941,389	5,712,825	(228,564)
Excess of Expenditures Over Revenue	(598,750)	(520,537)	(92,571)	427,966
Other Financing Sources (Uses)				
Other sources	77,341	77,341	77,341	-
Transfers out	-	-	(240,826)	(240,826)
Total financing sources (uses)	77,341	77,341	(163,485)	(240,826)
Net Change in Fund Balance	(521,409)	(443,196)	(256,056)	187,140
Fund Balance - Beginning of year	2,520,067	2,520,067	2,520,067	-
Fund Balance - End of year	**$ 1,998,658**	**$ 2,076,871**	**$ 2,264,011**	**$ 187,140**

Other Supplementary Information
Budgetary Comparison Schedule - Nonmajor Funds (Continued)
Student Activities

Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	(Under) Over Final Budget
Revenue - Local	$ 1,000,000	$ 1,400,000	$ 1,295,006	$ (104,994)
Expenditures - Student activities	1,000,000	1,400,000	1,259,940	(140,060)
Net Change in Fund Balance	-	-	35,066	35,066
Fund Balance - Beginning of year	845,922	845,922	845,922	-
Fund Balance - End of year	**$ 845,922**	**$ 845,922**	**$ 880,988**	**$ 35,066**

Other Supplementary Information
Budgetary Comparison Schedule - Nonmajor Funds (Continued)
Technology/Other Projects

Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Over Final Budget
Revenue - Local sources	$ 75,000	$ 75,000	$ 88,628	$ 13,628
Expenditures	-	-	-	-
Excess of Revenue Over Expenditures	75,000	75,000	88,628	13,628
Other Financing Sources - Transfers in	300,000	300,000	300,000	-
Net Change in Fund Balance	375,000	375,000	388,628	13,628
Fund Balance - Beginning of year	1,605,934	1,605,934	1,605,934	-
Fund Balance - End of year	**$ 1,980,934**	**$ 1,980,934**	**$ 1,994,562**	**$ 13,628**

Other Supplementary Information
Budgetary Comparison Schedule - Nonmajor Funds (Continued)
Maintenance/Bus Purchases

Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	(Under) Over Final Budget
Revenue	$ -	$ -	$ -	$ -
Expenditures	-	-	-	-
Other Financing Sources -Transfers in	600,000	600,000	600,000	-
Net Change in Fund Balance	600,000	600,000	600,000	-
Fund Balance - Beginning of year	3,440,132	3,440,132	3,440,132	-
Fund Balance - End of year	**$ 4,040,132**	**$ 4,040,132**	**$ 4,040,132**	**$ -**

Other Supplementary Information
Budgetary Comparison Schedule - Nonmajor Funds (Continued)
Debt Service

Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	(Under) Over Final Budget
Revenue				
Local sources	$ 14,728,665	$ 14,849,129	$ 14,831,890	$ (17,239)
State sources	163,525	173,883	173,883	-
Total revenue	14,892,190	15,023,012	15,005,773	(17,239)
Expenditures				
Debt service:				
Principal	7,285,000	7,285,000	7,285,000	-
Interest on long-term debt and other	7,584,844	7,584,844	7,598,300	13,456
Other debt costs	47,000	47,000	-	(47,000)
Total expenditures	14,916,844	14,916,844	14,883,300	(33,544)
Net Change in Fund Balances	(24,654)	106,168	122,473	16,305
Fund Balances - Beginning of year	1,698,695	1,698,695	1,698,695	-
Fund Balances - End of year	**$ 1,674,041**	**$ 1,804,863**	**$ 1,821,168**	**$ 16,305**

Other Supplementary Information
Schedule of Bonded Indebtedness

June 30, 2024

Years Ending June 30	2015 Issue Principal	2018 Issue Principal	2020 Issue Principal	2023 Issue Principal
2025	$ 3,380,000	$ 2,300,000	$ 1,000,000	$ 1,020,000
2026	3,550,000	2,350,000	1,050,000	1,375,000
2027	3,725,000	2,425,000	1,100,000	500,000
2028	3,905,000	2,500,000	1,150,000	625,000
2029	4,090,000	2,600,000	1,200,000	935,000
2030	4,285,000	2,675,000	1,275,000	1,140,000
2031	4,480,000	2,775,000	1,350,000	1,225,000
2032	4,675,000	2,900,000	1,400,000	1,295,000
2033	4,845,000	3,050,000	1,500,000	1,335,000
2034	5,040,000	3,200,000	1,550,000	1,425,000
2035	5,145,000	3,375,000	1,650,000	1,535,000
2036	-	3,575,000	6,600,000	1,700,000
2037	-	3,675,000	6,775,000	1,705,000
2038	-	3,800,000	6,975,000	1,705,000
2039	-	-	8,875,000	1,705,000
2040	-	-	8,875,000	1,705,000
2041	-	-	-	1,705,000
2042	-	-	-	1,705,000
2043	-	-	-	1,705,000
Total remaining payments	**$ 47,120,000**	**$ 41,200,000**	**$ 52,325,000**	**$ 26,045,000**
Principal payments due	May 1	May 1	May 1	May 1
Interest payments due	May 1 and November 1	May 1 and November 1	May 1 and November 1	May 1 and November 1
Interest rate	5.00%	3.00% to 4.50%	4.00% to 5.00%	5.00%
Original issue	$ 81,050,000	$ 54,675,000	$ 57,265,000	$ 27,015,000

Other Supplemental Information
Schedule of Cash, Cash Equivalents, and Investments
June 30, 2024

Fund	Types of Investment	Interest Rate (Percent)	Cost
General	Cash Management Fund - Michigan School District Liquid Asset Fund	Variable	$ 2,418,369
	Cash Management Fund - Michigan School District Liquid Asset Fund	Variable	2,127,037
	Cash Management Fund - Michigan School District Liquid Asset Fund	Variable	459,722
	Cash Management Fund - Michigan School District Liquid Asset Fund	Variable	43,413,434
	Cash Management Fund - Michigan School District Liquid Asset Fund	Variable	127,415
	Cash Management Fund - Michigan School District Liquid Asset Fund	Variable	57,685
	Total General Fund		48,603,662
Special Revenue	Cash Management Fund - Michigan School District Liquid Asset Fund	Variable	2,063,156
	Cash Management Fund - Michigan School District Liquid Asset Fund	Variable	905,021
	Total Special Revenue		2,968,177
Debt Service	Cash Management Fund - Michigan School District Liquid Asset Fund	Variable	1,814,187
Capital Projects	Cash Management Fund - Michigan School District Liquid Asset Fund	Variable	1,694,561
	Cash Management Fund - Michigan School District Liquid Asset Fund	Variable	12,091,617
	Cash Management Fund - Michigan School District Liquid Asset Fund	Variable	24,526,520
Internal Service	Cash Management Fund - Michigan School District Liquid Asset Fund	Variable	2,559,973
	Total cash, cash equivalents, and investments		**$ 94,258,697**

Note: Balances represent balances from the bank statements at June 30, 2023

	Cost				
	Land	Buildings and Building Improvements	Furniture and Equipment	Buses and Other Vehicles	Construction in Progress
Elementary Schools					
Beechview	$ 25,250	$ 7,665,063	$ 614,852	-	2,055,057
Forest	31,980	8,393,809	763,756	-	222,723
Gill	4,137	9,452,395	1,181,925	-	222,724
Hillside	16,301	9,322,655	801,965	-	3,909,566
Kenbrook	24,900	9,702,029	641,345	-	2,133,197
Lanigan	37,800	10,654,145	1,067,635	-	222,725
Longacre	30,300	7,827,460	662,754	-	2,562,864
Wood Creek	4,391	6,426,299	766,701	-	2,106,828
K-8 School					
Farmington STEAM Academy	36,000	17,336,517	1,341,026	-	3,376,636
Middle Schools					
East	57,500	21,942,823	1,956,350	-	346,270
Power	4,137	13,319,687	1,554,281	-	3,719,414
Warner	180,000	16,633,081	1,253,162	-	2,368,280
High Schools					
Farmington	1	45,712,579	4,091,398	-	5,926,235
North	117,600	43,773,683	4,606,619	6,107	8,580,835
Alameda Early Childhood Center	53,447	10,763,157	1,258,722	-	295,681
Highmeadow Common Campus	49,226	4,789,984	361,937	-	1,185,115
Shiawassee Complex	-	4,588,024	8,572,091	-	2,271,137
Maxfield Training Center	-	-	-	-	-
Farmington Community School	6,501	1,668,446	757,226	-	8,982,371
Maintenance	4,273	376,593	1,082,168	-	265,218
Visions/Cloverdale	-	4,223,382	196,518	-	2,511,501
Alternative Academy	-	-	16,680	-	-
Vehicles	-	-	-	10,051,019	-
Total	**$ 683,744**	**$ 254,571,811**	**$ 33,549,111**	**$ 10,057,126**	**$ 53,264,377**

Other Supplemental Information
Schedule of Capital Assets and Accumulated Depreciation
June 30, 2024

	Accumulated Depreciation			
Total	Buildings and Building Improvements	Furniture and Equipment	Buses and Other Vehicles	Total
10,360,222	2,760,419	237,541	-	2,997,960
9,412,268	2,785,608	319,236	-	3,104,844
10,861,181	3,444,581	528,474	-	3,973,055
14,050,487	5,389,614	339,543	-	5,729,157
12,501,471	3,515,247	265,934	-	3,781,181
11,982,305	3,632,626	420,678	-	4,053,304
11,083,378	3,367,523	288,670	-	3,656,193
9,304,219	3,369,430	380,707	-	3,750,137
22,090,179	8,246,961	583,028	-	8,829,989
24,302,943	8,459,889	852,852	-	9,312,741
18,597,519	6,328,431	689,944	-	7,018,375
20,434,523	6,528,472	496,800	-	7,025,272
55,730,213	23,228,405	2,001,827	-	25,230,232
57,084,844	19,109,323	2,486,815	2,672	21,598,810
12,371,007	1,826,871	221,740	-	2,048,611
6,386,262	2,146,665	174,598	-	2,321,263
15,431,252	2,043,428	4,926,439	-	6,969,867
-	-	-	-	-
11,414,544	957,741	141,853	-	1,099,594
1,728,252	245,808	580,358	-	826,166
6,931,401	1,800,071	111,386	-	1,911,457
16,680	-	11,015	-	11,015
10,051,019	-	-	7,143,131	7,143,131
$ 352,126,169	**$ 109,187,113**	**$ 16,059,438**	**$ 7,145,803**	**$ 132,392,354**

Statistical Section

Description of Statistical Section

This part of Farmington Public School District's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplemental information says about the government's overall financial health. Many of the schedules present data for the past fiscal years that will allow the reader to discern trends that cannot be seen in a single year's financial statements.

Contents

Financial Trend Information

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

Revenue Capacity Information

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

Debt Capacity Information

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

Demographic and Economic Information

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

Operating Information

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

	As of June 30,			
	2015	2016	2017	2018
Governmental Activities:				
Net investment in capital assets	$ 82,595,528	$ 85,948,397	$ 88,245,459	$ 88,960,987
Restricted	2,986,963	1,042,446	1,362,602	2,618,786
Unrestricted	(222,340,637)	(218,066,275)	(211,170,358)	(278,624,856)
Total net position	**$ (136,758,146)**	**$ (131,075,432)**	**$ (121,562,297)**	**$ (187,045,083)**

Source: Farmington Public School District audited financial statements

GASB 75 have been adopted effective July 1, 2017. Net position prior to June 30, 2017 has not been restated in this table.

Financial Trend Information
Net Position by Component
Governmental Activities

Last Ten Fiscal Years

As of June 30,					
2019	2020	2021	2022	2023	2024
$ 74,934,436	$ 71,246,936	$ 68,022,521	$ 65,427,511	$ 61,419,135	$ 62,296,598
2,681,756	3,518,237	3,283,852	4,324,028	6,781,534	11,970,747
(273,622,807)	(276,041,984)	(266,492,278)	(241,524,637)	(222,051,902)	(195,744,911)
$ (196,006,615)	**$ (201,276,811)**	**$ (195,185,905)**	**$ (171,773,098)**	**$ (153,851,233)**	**$ (121,477,566)**

	As of June 30,			
	2015	2016	2017	2018
Expenses				
Governmental activities:				
Instruction	$ 95,922,327	$ 89,144,470	$ 83,023,833	$ 82,284,322
Support services	55,576,921	50,369,101	47,348,639	46,716,391
Nutrition services	3,676,318	3,754,799	3,263,892	3,476,209
Athletics	1,799,480	1,788,212	1,871,122	1,841,765
Community services	1,441,845	1,579,754	1,413,280	1,345,953
Interdistrict payments	-	-	-	-
Interest on long-term debt and other	2,313,319	3,685,573	3,125,884	3,733,345
Other debt costs	-	-	-	-
Depreciation (unallocated)	3,012,856	2,991,551	2,843,930	4,535,757
Total governmental activities	163,743,066	153,313,460	142,890,580	143,933,742
Program revenue				
Charges for services:				
Instruction	155,792	167,783	183,938	676,910
Support services	386,105	390,693	407,735	313,074
Food services	2,220,997	2,240,900	2,000,464	2,017,007
Athletics	651,087	637,501	653,934	625,659
Community services	1,135,108	1,064,660	1,032,701	897,554
Operating grants and contributions	33,771,843	32,384,317	38,679,893	40,589,208
Total program revenue	38,320,932	36,885,854	42,958,665	45,119,412
Net (expense) revenue	(125,422,134)	(116,427,606)	(99,931,915)	(98,814,330)
General Revenue				
Property taxes	47,981,086	51,629,686	50,893,808	50,523,428
State aid not restricted to specific purpc	68,748,701	68,498,645	58,042,621	58,583,743
Federal sources - unrestricted	-	-	-	-
Investment earnings	7,883	623,038	494,663	642,894
Other	2,156,945	1,358,951	13,958	6,214
Total general revenue	118,894,615	122,110,320	109,445,050	109,756,279
Special Item				
Change in Net Position	**$ (6,527,519)**	**$ 5,682,714**	**$ 9,513,135**	**$ 10,941,949**

* Historically, approximately 50 percent of charges for services is for nutrition services and the balance is for community education tuition and facility usage charges.

Source: Farmington Public School District audited financial statements

Financial Trend Information
Changes in Governmental Net Position

Last Ten Fiscal Years

As of June 30,					
2019	2020	2021	2022	2023	2024
$ 84,797,861	$ 89,682,813	$ 85,085,371	$ 72,085,015	$ 84,041,376	$ 90,511,059
50,241,412	52,891,179	52,841,038	48,651,209	56,044,351	60,370,060
3,287,761	1,482,167	2,291,990	1,605,764	3,562,282	1,895,885
1,816,325	3,190,774	1,445,370	3,243,190	1,854,398	4,530,955
1,289,169	1,286,765	1,297,075	1,515,629	2,161,849	1,974,500
-	-	-	-	1,037,305	871,453
5,463,229	6,299,759	6,797,777	7,019,583	5,714,968	6,398,172
-	-	-	-	232,377	1,336,732
4,949,376	4,635,558	3,945,005	4,200,213	5,402,592	5,574,226
151,845,133	159,469,015	153,703,626	138,320,603	160,051,498	173,463,042
711,205	739,441	188,435	129,119	221,847	383,849
474,899	244,407	178,503	347,824	282,387	232,046
2,109,968	1,422,338	77,558	540,492	1,575,508	345,131
656,161	469,314	326,329	274,055	555,314	119,236
973,242	608,827	240,929	936,818	1,083,322	971,831
38,884,270	41,441,121	46,092,484	50,390,140	55,410,410	75,913,719
43,809,745	44,925,448	47,104,238	52,618,448	59,128,788	77,965,812
(108,035,388)	(114,543,567)	(106,599,388)	(85,702,155)	(100,922,710)	(95,497,230)
51,864,257	53,301,213	54,231,308	53,443,400	55,875,143	59,191,312
57,987,402	55,114,928	56,967,649	54,834,814	56,653,291	61,827,944
-	-	-	-	-	-
1,643,441	1,067,399	158,225	202,257	3,834,529	5,387,194
(12,421,244)	(210,169)	437,742	634,491	2,481,612	1,464,447
99,073,856	109,273,371	111,794,924	109,114,962	118,844,575	127,870,897
$ (8,961,532)	**$ (5,270,196)**	**$ 5,195,536**	**$ 23,412,807**	**$ 17,921,865**	**$ 32,373,667**

	As of June 30,			
	2015	2016	2017	2018
General Fund:				
Nonspendable	$ 661,116	$ 746,904	$ 734,773	$ 1,157,411
Committed	3,000,517	6,336,300	7,161,263	5,152,597
Assigned	4,698,095	3,359,655	1,673,715	-
Unassigned	-	2,259,671	5,322,980	9,140,094
Total general fund	$ 8,359,728	$ 12,702,530	$ 14,892,731	$ 15,450,102
All other governmental funds:				
Nonspendable, reported in:				
Special revenue funds	34,038	38,302	30,063	48,873
Restricted, reported in:				
Special revenue funds	2,952,925	1,067,900	1,177,781	1,030,408
Debt service funds	227,029	754,951	865,773	1,054,390
Capital projects fund - bonded	76,602,905	68,361,556	32,514,535	56,262,566
Committed, reported in:				
Capital project funds	146,116	117,434	117,837	118,517
Student activities	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total all other governmental funds	$ 79,963,013	$ 70,340,143	$ 34,705,989	$ 58,514,754

Source: Farmington Public School District audited financial statements

Financial Trend Information
Fund Balances - Governmental Funds

Last Ten Fiscal Years

As of June 30,					
2019	2020	2021	2022	2023	2024
$ 1,412,287	$ 1,389,599	$ 1,292,975	$ 1,176,329	$ 1,405,633	$ 1,100,044
11,272,098	10,842,949	12,517,141	3,661,668	7,030,195	9,978,275
-	679,196	963,293	793,119	500,000	4,618,236
5,480,191	8,479,160	16,458,154	25,998,385	28,064,759	23,640,179
$ 18,164,576	$ 21,390,904	$ 31,231,563	$ 31,629,501	$ 37,000,587	$ 39,336,734
27,882	52,523	43,418	51,937	66,933	85,669
1,292,774	1,296,157	1,264,025	2,360,440	2,453,134	2,178,342
1,028,557	1,521,285	1,170,000	932,966	1,698,695	1,821,168
35,327,259	86,197,862	73,728,171	54,843,217	53,809,219	32,043,088
500,962	1,191,776	2,091,994	2,993,566	5,046,066	6,034,694
-	-	860,212	869,642	845,922	880,988
-	-	-	-	-	-
-	-	-	-	-	-
$ 38,177,434	$ 90,259,603	$ 79,157,820	$ 62,051,768	$ 63,919,969	$ 43,043,949

	As of June 30,			
	2015	2016	2017	2018
Revenue				
Local revenue	$ 54,255,170	$ 57,914,213	$ 56,823,935	$ 56,820,326
State revenue	83,101,032	82,062,850	79,540,215	80,753,569
Federal revenue	5,731,381	5,608,374	5,073,500	4,584,875
Interdistrict revenue	12,694,664	11,788,943	11,318,752	10,973,273
Total revenue	155,782,247	157,374,380	152,756,402	153,132,043
Expenditures				
Current:				
Instruction	92,034,829	85,548,608	84,698,693	85,131,450
Support services	53,105,932	48,240,724	46,227,964	47,646,320
Athletics	1,799,480	1,788,212	1,887,855	1,903,395
Nutrition services	3,676,318	3,651,062	3,291,564	3,547,386
Community services	1,424,828	1,496,704	1,417,606	1,395,012
Debt service:				
Principal	6,150,000	7,215,000	7,430,000	7,455,000
Debt issuance costs	537,564	-	-	556,576
Interest	1,771,184	3,725,090	4,044,991	3,740,820
Other debt costs	-	-	-	-
Capital Outlay	518,875	11,295,327	35,856,729	31,982,988
Intergovernmental payments	434,061	678,074	812,115	777,328
Total expenditures	161,453,071	163,638,801	185,667,517	184,136,275
Excess of Revenue (Under) Over	(5,670,824)	(6,264,421)	(32,911,115)	(31,004,232)
Other Financing Sources (Uses)				
Debt issuance	81,050,000	-	-	54,675,000
Premium on debt issued	9,186,782	-	-	562,493
Sale of capital assets	502,255	532,260	9,255	42,875
Transfers in	8,479,893	266,955	173,592	177,675
Transfers out	(8,479,893)	(266,955)	(173,592)	(177,675)
Payments to bond escrow agent	(13,063,221)	-	-	-
Total other financing sources (uses)	77,675,816	532,260	9,255	55,280,368
Net change in fund balances	72,004,992	(5,732,161)	(32,901,860)	24,276,136
Fund Balances - Beginning of year	16,317,749	88,322,741	82,590,580	49,688,720
Fund Balances - End of year	**$ 88,322,741**	**$ 82,590,580**	**$ 49,688,720**	**$ 73,964,856**
Debt service as a percentage of noncapital expenditures	5.56%	7.77%	8.34%	8.42%

Source: Farmington Public School District audited financial statements

Financial Trend Information
Changes in Fund Balances - Governmental Funds

Last Ten Fiscal Years

As of June 30,						
	2019	2020	2021	2022	2023	2024
	$ 59,272,881	$ 58,995,894	$ 56,925,388	$ 57,542,113	$ 66,235,164	$ 69,206,995
	79,439,607	77,900,206	79,076,235	79,383,528	96,217,259	104,504,619
	6,552,413	6,015,529	11,787,860	13,355,204	11,945,128	14,099,409
	11,615,912	11,362,842	12,176,602	12,621,598	11,442,080	12,516,497
	156,880,813	154,274,471	159,966,085	162,902,443	185,839,631	200,327,520
	85,128,370	83,267,562	81,924,865	85,838,569	94,833,432	101,491,711
	48,694,856	47,408,343	48,508,103	53,008,872	59,196,716	66,573,768
	1,844,753	1,429,971	1,435,124	1,668,289	2,025,807	2,062,688
	3,320,045	3,077,384	2,242,587	3,518,833	3,789,337	4,820,125
	1,297,459	1,199,880	1,158,934	1,815,060	2,030,442	1,792,887
	6,900,000	7,035,000	6,065,000	6,355,000	6,695,000	7,285,000
	-	326,626	57,891	303,921	-	-
	5,085,422	4,933,121	6,775,362	6,804,613	6,530,706	7,598,300
	-	-	-	-	232,377	12,280
	22,374,148	17,954,133	12,962,058	19,392,931	33,448,506	26,359,181
	922,418	1,157,458	1,000,846	949,469	1,037,305	871,453
	175,567,471	167,789,478	162,130,770	179,655,557	209,819,628	218,867,393
	(18,686,658)	(13,515,007)	(2,164,685)	(16,753,114)	(23,979,997)	(18,539,873)
	-	57,265,000	-	-	27,015,000	-
	-	10,855,498	-	-	3,071,969	-
	1,063,812	703,006	8,191	45,000	1,132,315	-
	547,542	999,165	1,038,519	1,040,931	2,137,957	1,140,826
	(547,542)	(999,165)	(1,038,519)	(1,040,931)	(2,137,957)	(1,140,826)
	-	-	-	-	-	-
	1,063,812	68,823,504	8,191	45,000	31,219,284	-
	(17,622,846)	55,308,497	(2,156,494)	(16,708,114)	7,239,287	(18,539,873)
	73,964,856	56,342,010	112,545,877	110,389,383	93,681,269	100,920,556
	$ 56,342,010	**$ 111,650,507**	**$ 110,389,383**	**$ 93,681,269**	**$ 100,920,556**	**$ 82,380,683**
	8.54%	9.01%	9.54%	9.23%	8.17%	8.42%

	Taxable Value by Property Type				
	Real Property				
Tax Year	Residential	Commercial	Industrial	Commercial Personal Property	Industrial Personal Property
2014	2,206,252,830	695,602,580	91,896,530	120,006,060	76,000,470
2015	2,279,432,190	695,770,180	94,275,590	124,588,940	76,455,060
2016	2,323,967,980	697,227,610	92,660,800	121,347,540	34,303,610
2017	2,394,338,920	717,326,830	94,328,290	123,873,610	29,731,320
2018	2,486,688,870	741,540,180	104,608,030	122,285,560	26,284,020
2019	2,591,755,350	773,336,870	111,015,520	128,999,420	20,678,430
2020	2,694,273,080	808,369,840	119,721,280	127,860,260	18,778,930
2021	2,779,269,890	846,091,890	124,603,780	130,508,500	19,757,730
2022	2,949,319,960	929,693,570	135,188,700	133,756,500	16,039,620
2023	3,158,856,160	994,422,075	143,626,481	131,792,410	13,965,680

Note: Under Michigan law, the revenue base is referred to as "Taxable Value". This amount represents Assessed value (50% of true cash value), limited for each property by the lower of 5% or inflation.

Taxes levied in a particular "tax year" become revenue of the subsequent fiscal year

Source: Oakland County Form L-4028

Taxable Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

Taxable Value by Property Type

Utility Personal Property	Total Value	Tax rate (mills) Homestead/Non-Homestead	Estimated Actual Value	Taxable Value as a % of Actual
49,097,810	3,238,856,280	11.7472/20.2600	6,477,712,560	50.00%
52,464,870	3,322,986,830	12.4418/21.4400	6,645,973,660	50.00%
55,425,380	3,324,932,920	12.1482/21.4400	6,649,865,840	50.00%
60,536,590	3,420,135,560	11.4628/21.3000	6,840,271,120	50.00%
63,545,460	3,544,952,120	11.3026/21.3000	7,089,904,240	50.00%
75,280,180	3,701,065,770	10.8634/21.3000	7,402,131,540	50.00%
82,232,230	3,851,235,620	10.4451/21.2000	7,702,471,240	50.00%
91,336,690	3,991,568,480	9.4482/21.2000	7,983,136,960	50.00%
97,922,320	4,261,920,670	8.9067/20.9216	8,523,841,340	50.00%
98,036,070	4,540,698,876	8.7764/21.2000	9,081,397,752	50.00%

		Millage rates - direct school taxes				
		Operating			Total Direct Taxes	
Tax Year	Fiscal Year Ended June 30	Homestead	Non-homestead	Debt*	Homestead	Non-homestead
2014	2015	9.4872	18.0000	2.2600	11.7472	20.2600
2015	2016	9.0018	18.0000	3.4400	12.4418	21.4400
2016	2017	8.7082	18.0000	3.4400	12.1482	21.4400
2017	2018	8.1268	18.0000	3.3000	11.4268	21.3000
2018	2019	8.0026	18.0000	3.3000	11.3026	21.3000
2019	2020	7.5434	18.0000	3.3000	10.8634	21.3000
2020	2021	7.2451	18.0000	3.2000	10.4451	21.2000
2021	2022	6.2482	18.0000	3.2000	9.4482	21.2000
2022	2023	5.7067	17.7216	3.2000	8.9067	20.9216
2023	2024	5.5764	18.0000	3.2000	8.7764	21.2000

* Debt millage applies to homestead and nonhomestead property.

Sources: Assessment and tax roll certificates and warrants for West Bloomfield Township, City of Farmington Hills, and City of Farmington

Revenue Capacity Information
Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

Overlapping taxes						
Oakland County	Oakland Community College	Oakland Intermediate School District	State Education	City of Farmington	City of Farmington Hills	Township of West Bloomfield
4.0019	1.5844	3.3690	6.0000	16.5856	13.9394	12.2550
4.0900	1.5819	3.3633	6.0000	15.0000	14.3908	12.2112
4.2800	1.5708	3.3980	6.0000	15.0000	14.3200	12.1700
4.4908	1.5555	3.3079	6.0000	15.0000	14.6569	12.0487
4.0400	1.5431	3.2813	6.0000	15.5000	14.5797	11.9618
4.0400	1.5303	3.2539	6.0000	18.4322	17.1905	11.8579
4.0200	1.5184	3.2280	6.0000	18.3559	17.0017	11.7840
4.0132	1.5057	3.2012	6.0000	18.3105	16.8566	11.7285
3.9686	1.4891	3.1658	6.0000	19.7084	18.0435	11.6475
3.9686	1.4891	3.1685	6.0000	19.7084	17.9937	11.6475

Revenue Capacity Information
Principal Property Taxpayers

Current and Ten Years Ago

	Taxpayer	2023 Taxable Value	% of total	Taxpayer	2014 Taxable Value	% of total	2014 Rank
1	Oakland Management Co.	$ 75,689,220	1.79%	Oakland Management Co.	$ 63,277,950	2.07%	1
2	Detroit Edison	41,874,060	0.99%	Detroit Edison	31,801,070	1.04%	2
3	Consumers Energy	37,006,560	0.87%	Robert Bosch Corp.	29,064,940	0.95%	3
4	Meadows at Hunters Ridge LLC	34,982,870	0.83%	Nissan Corp.	27,629,060	0.90%	4
5	Independence Green Assoc LLC	28,150,040	0.66%	FH Corporate Inv (Kojaian)	22,274,220	0.73%	5
6	FH Corporate Investors (Kojaian)	26,868,250	0.63%	Green Hill Apts.	17,200,840	0.56%	6
7	Green Hill Apts.	20,708,050	0.49%	Ramco/Lion Venture LP	13,808,630	0.45%	7
8	Nissan Corp.	19,376,020	0.46%	Aimco (Independence Green)	12,583,400	0.41%	8
9	Ramco	15,319,800	0.36%	Hartman & Tyner	12,472,910	0.41%	9
10	Finsilver Friedman	13,455,830	0.32%	Chrysler Financal Corp.	10,963,640	0.36%	10
	Total	$ 313,430,700	7.40%		$ 241,076,660	7.89%	
	Total School District Taxable Value	$ 4,238,124,340			$ 3,054,060,110		

Source: Cities of Farmington and Farmington Hills

Revenue Capacity Information
Property Tax Levies and Collections

Last Ten Fiscal Years

Tax Year	Year ended June 30,	Total levy	Currrent collections (1)	Percent collected	Delinquent collections (2)	Total tax collections	Percent of levy collected
2014	2015	47,485,452	47,382,532	99.78%	-	47,382,532	99.78%
2015	2016	51,359,325	51,260,368	99.81%	-	51,260,368	99.81%
2016	2017	50,919,669	50,893,807	99.95%	-	50,893,807	99.95%
2017	2018	50,581,629	50,523,427	99.88%	-	50,523,427	99.88%
2018	2019	51,757,190	51,671,366	99.83%	-	51,671,366	99.83%
2019	2020	53,113,716	52,982,308	99.75%	-	52,982,308	99.75%
2020	2021	54,088,446	53,980,248	99.80%	-	53,980,248	99.80%
2021	2022	53,360,982	52,363,313	98.13%	-	52,363,313	98.13%
2022	2023	55,793,253	51,682,949	92.63%	-	51,682,949	92.63%
2023	2024	59,440,411	58,585,451	98.56%	-	58,585,451	98.56%

(1) Represents collections through the final distribution of taxes, including delinquent real taxes purchased by the county

(2) Represents all collections after the final distribution date, through the current date

Source: Farmington Public School District audited financial statements

	As of June 30,			
	2015	2016	2017	2018
Governmental Activities:				
General obligation bonds	$ 90,170,000	$ 82,955,000	$ 75,525,000	$ 122,745,000
Less: pledged debt service funds	-	-	-	-
Net general bonded debt	90,170,000	82,955,000	75,525,000	122,745,000
Installment purchase agreements	-	-	-	-
Capital leases	-	-	-	-
Total debt of school distract	90,170,000	82,955,000	75,525,000	122,745,000
Taxable Value	6,477,712,560	6,645,973,660	6,649,865,840	6,840,271,120
Net general bonded obligation debt as a percentage of taxable value	1.39%	1.25%	1.14%	1.79%
Total Population	84,300	84,300	84,300	91,600
Total debt per capita	$ 1,070	$ 984	$ 896	$ 1,340
Per capita personal income	$ 37,187	$ 37,187	$ 37,187	$ 40,089
Total debt to per capita personal income	2425:1	2231:1	2031:1	3062:1

Note: If personal income is unavailable, it is acceptable to use Taxable Value

Sources: Farmington Public School District audited financial statements
Population information obtained from Southeastern Michigan Council of Governments

Debt Capacity Information
Ratios of Outstanding Debt

Last Ten Fiscal Years

	As of June 30,					
	2019	2020	2021	2022	2023	2024
	$ 115,845,000	$ 166,075,000	$ 160,010,000	$ 153,655,000	$ 173,975,000	$ 166,690,000
	-	-	-	-	-	-
	115,845,000	166,075,000	160,010,000	153,655,000	173,975,000	166,690,000
	-	-	-	-	-	-
	-	-	-	-	-	-
	115,845,000	166,075,000	160,010,000	153,655,000	173,975,000	166,690,000
	7,089,904,240	9,382,768,362	7,687,337,680	7,968,003,400	8,508,707,780	9,066,264,192
	1.63%	1.77%	2.08%	1.93%	2.04%	1.84%
	91,500	91,500	91,700	95,600	95,600	93,300
	$ 1,266	$ 1,815	$ 1,745	$ 1,607	$ 1,820	$ 1,787
	$ 40,920	$ 44,263	$ 45,156	$ 49,576	$ 50,222	$ 53,649
	2831:1	3752:1	3543:1	3099:1	3464:1	3107:1

Debt Capacity Information
Direct and Overlapping Governmental Activities Debt

June 30, 2024

Governmental unit	Debt outstanding	Estimated percent applicable	Estimated share of overlapping debt
City of Farmington	$ 15,635,262	100.00%	$ 15,635,262
City of Farmington Hills	88,639,380	92.81%	82,266,209
Township of West Bloomfield	55,471,540	3.76%	2,085,730
Oakland County	144,919,913	6.04%	8,753,163
Oakland Intermediate School District	38,215,000	6.06%	2,315,829
Total overlapping debt			111,056,193
Direct district debt			166,690,000
Total direct and overlapping debt			$ 277,746,193

Source: Municipal Advisory Council of Michigan, June 2024

The share of overlapping debt is determined by taking the amount of taxable value in each jurisdiction that is within the boundaries of the School District as a percentage of the total taxable value of that jurisdiction. That percentage is then applied to the direct tax- supported debt of the jurisdiction to determine the School District's overlapping share. Only tax-supported debt is included in the overlapping debt.

	As of June 30,			
	2015	2016	2017	2018
Calculation of debt limit				
Sate equalized valuation (SEV)	$ 3,458,703,200	$ 3,770,509,520	$ 3,994,121,140	$ 4,228,770,840
15% of state equalized valuation (SEV)	518,805,480	565,576,428	599,118,171	634,315,626
Calculation of debt subject to limit				
Total debt	90,170,000	82,955,000	75,525,000	122,745,000
Less debt not subject to limit:				
State qualified debt issuance	(9,120,000)	(7,055,000)	(4,800,000)	(2,500,000)
Net debt subject to limit	81,050,000	75,900,000	70,725,000	120,245,000
Legal debt margin	437,755,480	489,676,428	528,393,171	514,070,626
Net debt subject to limit as a percentage of debt limit	15.62%	13.42%	11.80%	18.96%

* Public Act No. 451 of Michigan 1976, Sec. 1351A provides debt limits as follows: The bonded indebtedness of a school district shall not exceed 15 percent of all assessed valuation of the district. Bonds not included in the computation of the legal debt margin are:

1. Defeased bonds
2. Any bond qualified under Article IX, Section 16 of the 1963 Michigan Constitution
3. Deficit budget bonds as authorized by Sec. 1356

**Based upon the strength of the School District's credit rating, along with a projected increase in taxable values in the foreseeable future, the School District selected the non-qualified bond option; however, it still met all of the requirements of the qualification process.

Source: School District audited financial statements

Debt Capacity Information
Legal Debt Margin

Last Ten Fiscal Years

As of June 30,					
2019	2020	2021	2022	2023	2024
$ 4,425,044,500	$ 4,702,442,020	$ 5,235,479,320	$ 5,593,087,890	$ 6,101,264,200	$ 6,556,553,450
663,756,675	705,366,303	785,321,898	838,963,184	915,189,630	983,483,018
115,845,000	166,075,000	160,010,000	153,655,000	173,975,000	166,690,000
-	-	-	-	-	-
115,845,000	166,075,000	160,010,000	153,655,000	173,975,000	166,690,000
547,911,675	539,291,303	625,311,898	685,308,184	741,214,630	816,793,018
17.45%	23.54%	20.38%	18.31%	19.01%	16.95%

Demographic and Economic Information
Demographic and Economic Statistics

Last Ten Fiscal Years

Fiscal year	Population	Total Personal Income	Per Capita Personal Income	Unemployment rate
2015	84,300	3,134,864	37,187	3.73%
2016	84,300	3,134,864	37,187	2.90%
2017	91,600	3,556,828	38,830	4.30%
2018	91,600	3,672,152	40,089	3.80%
2019	91,500	3,668,418	40,092	4.00%
2020	91,500	4,050,064	44,263	8.70%
2021	91,700	4,140,805	45,156	3.90%
2022	95,600	4,739,466	49,576	4.30%
2023	95,600	4,801,223	50,222	3.60%
2024	93,300	5,005,484	53,649	4.10%

Sources: U.S. Bureau of the Census, Census 2020
Michigan Department of Labor and Economic Growth
Southeast Michigan Council of Governments

Demographic and Economic Information
Principal Employers

Employer	2024 Employees	Percentage of total	2015 Employees	Percentage of total
Comerica Bank Great Lakes	2100	3.14%	-	0.00%
Corewell Health/Beaumont Hospital - Farmingt	1,859	2.78%	2,538	2.90%
Farmington Public Schools	1,265	1.89%	1,400	1.60%
Mercedes-Benz Financial Services USA	1,188	1.78%	-	0.00%
MAHLE Industries, Inc	1,000	1.50%	850	1.00%
Robert Bosch Corporation	829	1.24%	1,600	1.80%
Amerisure	700	1.05%	-	0.00%
Panasonic Corporation of North America	608	0.91%	-	0.00%
Ascension	527	0.79%	-	0.00%
Total principal employers	7,976	11.93%	6,388	7.30%
Total employment	66,833		87,326	

Sources: City of Farmington Hills website
Oakland County
Southeast Michigan Council of Governments
Farmington Public School District

Note: Total employment information is obtained from the Bureau of Labor Statistics.

Function/ program:	2015	2016	2017	2018
General government				
Instruction	804	701	701	707
Support services	445	413	350	351
Community service	3	3	3	3
Athletics	2	2	2	2
Food service	69	69	63	63
Total	**1,323**	**1,188**	**1,119**	**1,126**

Source: Farmington Public School District Personnel Department

Full-Time Equivalent School District Employees

Last Ten Fiscal Years

2019	2020	2021	2022	2023	2024
726	716	704	719	734	773
355	361	348	375	370	377
3	3	3	4	6	5
2	2	2	2	2	2
63	63	63	52	52	62
1,149	**1,145**	**1,120**	**1,152**	**1,164**	**1,219**

Operating Information
Operating Indicators

Last Ten Fiscal Years

Year	Enrollment	Operating expenditures	Cost per pupil	Operating revenue	Revenue per pupil	Total teaching staff	Percentage of students qualifying for free/reduced meals	Average teacher salary
2015	10,332	141,740,089	13,719	129,912,019	12,574	762	23.51%	76,625
2016	10,097	137,710,021	13,639	141,274,125	13,992	663	21.80%	75,627
2017	9,719	135,139,630	13,905	137,236,964	14,120	661	23.30%	76,176
2018	9,669	136,966,622	14,166	137,213,443	14,191	675	26.93%	76,087
2019	9,550	138,205,540	14,472	140,071,260	14,667	684	26.84%	76,586
2020	9,433	134,585,729	14,268	137,672,209	14,595	682	26.49%	75,421
2021	9,401	133,712,717	14,223	144,306,666	15,350	659	27.29%	74,391
2022	8,955	142,886,149	15,955	143,998,156	16,079	687	28.17%	74,387
2023	9,019	158,274,933	17,549	164,375,747	18,225	720	31.52%	76,107
2024	9,090	172,757,685	19,005	175,753,006	19,335	722	30.06%	73,894

Sources: Farmington Public School District audited financial statements
Michigan Department of Education Bulletin 1014

Function/ program	As of June 30,			
	2015	2016	2017	2018
Instructional buildings:				
Elementary:				
Number of buildings	9	9	9	8
Square footage	459,488	459,488	459,488	423,652
Capacity	4,389	4,389	4,389	4,103
Enrollment*	3,431	3,351	3,950	3,471
Upper Elementary:				
Number of buildings	2	2	-	-
Square footage	209,452	209,452	-	-
Capacity	1,830	1,830	-	-
Enrollment*	1,408	1,322	-	-
K-8 School:				
Number of buildings	-	-	-	1
Square footage	-	-	-	84,720
Capacity	-	-	-	896
Enrollment*	-	-	-	598
Middle:				
Number of buildings	2	2	3	3
Square footage	232,200	232,200	344,452	348,552
Capacity	1,848	1,848	2,782	2,832
Enrollment*	1,611	1,530	2,035	1,903
High:				
Number of buildings	3	3	3	3
Square footage	734,412	734,412	734,412	734,412
Capacity	3,856	3,856	3,856	3,856
Enrollment*	3,639	3,544	3,364	3,242
Other:				
Number of buildings	4	4	4	5
Square footage	112,532	112,532	112,532	135,323
Capacity	605	605	605	941
Enrollment*	287	248	245	252
Administrative:				
Number of buildings	3	3	3	3
Square footage	77,588	77,588	77,588	77,588
Transportation/Maintenance:				
Number of garages	1	1	1	1
Buses	96	95	95	95
Athletics:				
Football/Soccer fields	15	15	15	15
Running tracks	5	5	5	5
Baseball/softball	31	31	31	31
Swimming pools	3	3	3	3
Playgrounds	14	14	14	14

* Enrollment is based upon the fall head count of pupils.
Source: Farmington Public School District

Last Ten Fiscal Years

As of June 30,					
2019	2020	2021	2022	2023	2024
8	8	8	8	8	8
423,652	423,652	423,652	423,652	423,652	423,652
4,103	4,103	4,103	4,103	4,103	4,103
3,597	3,652	3,535	3,620	3,627	3,627
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1	1	1	1	1	1
84,720	84,720	84,720	84,720	84,720	84,720
896	896	896	896	896	896
699	717	721	630	707	707
3	3	3	3	3	3
348,552	348,552	348,552	348,552	348,552	348,552
2,832	2,832	2,832	2,832	2,832	3,832
1,813	1,816	1,765	1,689	1698	1698
3	2	2	2	2	2
734,412	489,105	489,105	489,105	489,105	489,105
3,856	2,372	2,372	2,372	2,372	2,372
3,057	2,860	2,738	2,672	2,719	2,719
5	5	5	5	5	5
135,323	135,323	135,323	135,323	135,323	135,323
941	941	941	941	941	941
244	240	236	237	269	269
3	3	3	3	3	3
77,588	77,588	77,588	77,588	77,588	77,588
1	1	1	1	1	1
95	95	95	95	95	95
15	13	13	13	13	13
5	5	5	5	5	5
31	28	28	28	28	28
3	2	2	2	2	2
14	14	14	14	14	14

XIII. ITEMS FROM THE TREASURER

A. EXPENDITURES.

MOTION: I move that the Board of Education approve the expenditures as outlined in the expenditure printout dated November 19, 2024, as follows:

General Fund	$11,091,950
General Fund - Athletics	$252,922
Debt Fund	-
Capital Projects – Technology and Other Projects	-
Capital Projects – 2020 Bond Fund	$1,237,046
Capital Projects – 2023 Bond Fund	-
Nutrition Services Fund	$551,179
Benefit Stabilization Fund	$1,606,419
TOTAL	**$ 14,739,516**

XIV. CONSENT AGENDA. I move that the Board of Education approve the November 19, 2024, Consent Agenda, as follows:

A. Approval of Minutes

1. October 22, 2024 - Special Meeting/Closed Session
2. October 22, 2024 - Regular Meeting
3. November 10, 2024 - Superintendent Evaluation/Succession Planning Committee
4. November 14, 2024 - Finance/Facilities Committee
5. November 16, 2024 - Board Retreat

B. Personnel Items

SPECIAL MEETING | CLOSED SESSION
OF THE BOARD OF EDUCATION
Maxfield Education Center
32789 W. Ten Mile Rd.
Farmington MI 48336
October 22, 2024
5:00 P.M.

President Weems called the meeting to order at 5:00 p.m.

Present: Terri A. Weems, President
Donald Walker, Jr., Vice President
Claudia T. Heinrich, Treasurer
Mable S. Fox, Secretary
Cheryl B. Blau, Trustee
David N. Turner, Trustee *(late arrival)*
Angie F. Smith, Trustee

Absent: None

Also Present: Kelly Coffin, Interim Superintendent; and Rámona Mayberry, executive assistant.

1. APPROVAL OF THE AGENDA.
It was moved by Mr. Donald Walker, Jr. and supported by Ms. Claudia Heinrich to approve the Tuesday, October 22, 2024 Special Meeting/Closed Session agenda as presented.

VOICE VOTE: **Ayes:** Weems, Walker, Heinrich, Fox, Blau, and Smith
Nays: None

MOTION PASSED 6-0

2. ANNOUNCEMENTS. None

3. PUBLIC COMMENTS. None

4. REQUEST FOR CLOSED SESSION BY ROLL CALL VOTE: It was moved by Ms. Claudia Heinrich and supported by Mr. Donald Walker, Jr., that the Board move to closed session in accordance with section 8(a) Periodic Personnel Evaluation of the Open Meetings Act, Public Act 267 of 1976.

Proposed

ROLL CALL VOTE: **Ayes:** Heinrich, Walker, Blau, Smith, Fox, and Weems
Nays:

MOTION PASSED 6-0

The Board moved to closed session at 5:08 p.m.

5. RETURN TO SPECIAL MEETING (The Board will return to the Special Meeting for the purposes of adjournment only. No further business will be conducted.)

6. ADJOURNMENT of SPECIAL MEETING

The special meeting adjourned at 5:55 p.m.

Mable S. Fox
Farmington Board of Education
Board Secretary

Proposed

REGULAR MEETING
OF THE BOARD OF EDUCATION
Maxfield Education Center
32789 W. Ten Mile Rd.
Farmington MI 48336
October 22, 2024
6:00 P.M.

President Weems called the meeting to order at 6:02 p.m.

Present: Terri A. Weems, President
Donald Walker, Jr., Vice President
Claudia T. Heinrich, Treasurer
Mable S. Fox, Secretary
Cheryl B. Blau, Trustee
David N. Turner, Trustee
Angie F. Smith, Trustee

Absent: None

Also Present: Kelly Coffin, Interim Superintendent; Scott Smith, VP, Plante Moran Realpoint; Jennifer Kaminski and Brad Paddock, Assistant Superintendents; Lydia Moore, Executive Director; Diane Bauman; Kimberly Pincheck and Allyson Robinson, Directors; and Rámona Mayberry, executive assistant; staff and community members.

1. PLEDGE OF ALLEGIANCE.

2. APPROVAL OF THE AGENDA.
It was moved by Ms. Claudia Heinrich and supported by Mr. Donald Walker, Jr., to approve the regular Board of Education meeting on Tuesday, October 22, 2024 as presented.

ROLL CALL VOTE: **Ayes:** Weems, Walker, Heinrich, Fox, Blau, Turner & Smith

Nays: None

MOTION UNANIMOUSLY APPROVED

3. ANNOUNCEMENTS. President Terri Weems spoke about the following:
- Shared facts and provided an update about Policy #4005 - Prohibition of Referral or Assistance. Miller Johnson also recommended that this policy be updated due to changes in School Code.
- Shared information on the Athletics bid to purchase Scoreboards.

Proposed

- Provided an update on the Superintendent Search Process. The next session is 10-29-24 from 10:30 a.m. -11:30 a.m. and a virtual session will be held on 11-04-24 at 7:00 p.m. The succession planning committee will meet once these meetings have been finalized to discuss next steps.
- Shared congratulations to the Powder Puff girls.
- College application day is coming up on November 1st - if you are looking for early decisions; The District held a college application day on Friday, October 18th to help students; Also on October 24th there a Financial Aid 101 session for parents and students at North Farmington High school by the counseling team and Michigan Department of Treasury, in the Media Center at 6:00 pm.
- Shared with the audience events from last week, I, President Terri Weems, along with Ms. Mable Fox, Board Secretary and Ms. Claudia Heinrich, Board Treasurer, attended the Senior Adult Breakfast.

3. PUBLIC COMMENTS. Public comments were shared. No action taken.

RECESS @7:00 p.m. until 7:08 p.m.

4. ITEMS FROM THE SECRETARY.

A. Correspondence.

Board Secretary, Ms. Mable Fox provided a report on:

- correspondence received during this period. Correspondence is acknowledged and responded to when appropriate. A list of correspondents and topics are available in the Board packet on the Farmington Public Schools website.

5. LEGISLATIVE UPDATE.

Dr. Cheryl Blau, shared the following:

- As of October 11th the governor signed the new Literacy and Dyslexia screening mandates and the fiscal year 2024-25 supplemental education budget which increases funding for student mental health and safety.
- The State Board of Education passed two resolutions. The first calls on Congress to fully fund the Individuals with The Disabilities Education Act (IDEA). This is the 50th anniversary of this legislation requiring us to provide appropriate and equitable education for all students.
- The State Board of Education recognizes the recent passing of the supplemental budget - the extra $125M in one-time funds to the School Aid Budget for mental health and school security.

Proposed

6. DISTRICT UPDATES.

A. Superintendent's District Update

Dr. Kelly Coffin shared the following:

- Highlighted the work of IB Students from the Collaborative Science Project Symposium which took place on October 14th, 2024.
- A meeting was held with High School Administrators to continue conversations around reimagining our high schools.
- Work from Hanover Research was discussed as related to innovative structures and CTE opportunities.

7. REPORTS FROM BOARD COMMITTEES.

a. Communications/Community Engagement Committee

Dr. Cheryl Blau shared that the committee debriefed our last community dialogue meeting. We also discussed possibly changing the format of these meetings from time to time. The Committee will revisit the topic in December.

b. Facilities/Finance Committee Meeting

- Ms. Claudia Heinrich stated that the committee met Tuesday, October 15th and discussed the result of the audit. Ms. Claudia Heinrich shared that decisions are not made during committee meetings.
- The Committee discussed the Farmington Scoreboards and Bid Pack #14. This was brought to the committee again and will be a discussion tonight.

c. Policy Committee Meeting

- Mr. Donald Walker, Jr. shared that the Policy Committee met to discuss the commitment to publishing all policy related changes in information for the public prior to scheduled board meetings.
- The Committee also heard from Assistant Superintendent of Talent and Development, Bradley Paddock, who provided an update relating to Therapy Dogs. This will be reflective as an Administrative Regulation #8002.

Proposed

8. DISCUSSION ITEMS.

A. Annual Audit Report Review
Presenter: Jennifer Kaminksi, Assistant Superintendent, Business Services, Jenny Kolbow, Senior Manager, Plante Moran Realpoint

- A Special thank you to Mrs. Kim Pincheck, Finance Director.
- A presentation was shared. Questions were asked by the Board and answered.
- The District has received the Certificate of Excellence for the past 20 years.

B. FPS Scoreboards and Bid Pack #14
Presenter: Jennifer Kaminski, Assistant Superintendent, Business Services, Allyson Robinson, Director of Athletics and School Safety and Scott Smith, Senior VP, Plante Moran Realpoint

The Scoreboards and Bid Pack #14 Presentations were shared.
Board members had discussion on the options. The desire of the Board is to ensure other needs are met, specifically around STEM. President Terri Weems asked Dr. Kelly Coffin, Interim Superintendent, for an update/plan around the STEM project.

9. PUBLIC COMMENTS. Public comments were shared. No action taken.

10. ACTION ITEMS.

A. ADOPTION POLICY MANUAL UPDATES (JUNE 2024)
Presenter: Donald Walker, Jr., Policy Committee Chair

The items were presented in detail at the October 8th meeting.

President Terri Weems recommended that we separate policy #4005 B from policies #3005, #4005A, and #8010 due to the additional discussion needed.

MOTION: It was moved by Donald Walker, Jr. and supported by Dr. David Turner that we separate and vote on at this time policies #3005, #4005A and policy #8010 as a collective as presented.

Policy #	Name:	Description
3005	Selection of Media Center/Library Materials	edits recommended by Miller/Canfield
4005	Other Matters of Employment ***(Political Activities)***	edits recommended by Miller/Canfield
8010	Digital Communications	edits recommended by Miller/Canfield

Proposed

ROLL CALL VOTE: **Ayes:** Heinrich, Walker, Blau, Smith, Turner, Fox, and Weems
Nays:

MOTION UNANIMOUSLY APPROVED

ADOPTION POLICY MANUAL UPDATES (JUNE 2024)

Policy #	Name:	Description
#4005	Other Matters of Employment ***(Prohibition of Referral or Assistance)***	edits recommended by Miller/Canfield

MOTION: It was moved by Dr. David Turner and supported by Ms. Angie Smith, that the Board of Education adopt the Policy Committee's recommendations as noted in the comment section of Miller Johnson's policies manual updated June 2024 for the following policy as presented #4005 Prohibition of Referral or Assistance.

Discussion:
Dr. Cheryl Blau explored a different motion to strike the policy because it is no longer needed; The Attorney for the District recommended removing it. Dr. David Turner read the policy in its entirety again for clarity and shared comments; Ms. Claudia Heinrich, Mr. Donald Walker, Jr. and Ms. Angie Smith shared comments.

ROLL CALL VOTE: **Ayes:** Heinrich
Nays: Walker, Blau, Smith, Turner, Fox, Weems

MOTION FAILED 6-1

ADOPTION POLICY MANUAL UPDATES (JUNE 2024)
Presenter: Donald Walker, Jr., Policy Committee Chair

Policy #	Name:	Description
4005	Other Matters of Employment ***(Prohibition of Referral or Assistance)***	edits recommended by Miller/Canfield

Proposed

MOTION: It was moved by Dr. David Turner and Supported by Mr. Donald Walker, Jr., that the Board of Education strike in its entirety, policy #4005 as it relates to Prohibition of Referral or Assistance.

ROLL CALL VOTE: **Ayes:** Heinrich, Walker, Blau, Smith, Turner, Fox, Weems
Nays: None

MOTION UNANIMOUSLY APPROVED

B. FPS SCOREBOARDS

Presenter: Jennifer Kaminski, Assistant Superintendent, Business Services, Allyson Robinson, Director of Athletics and School Safety and Scott Smith, Senior VP, Plante Moran Realpoint

MOTION: It was moved by Dr. David Turner and Supported by Ms. Angie Smith, that the Board of Education approve Option #2 that includes traditional scoreboards with sound systems for the main fields, traditional scoreboards on the auxiliary fields, and traditional scoreboards for baseball fields, softball fields, and middle school fields with a not to exceed $495,000 as presented.

ROLL CALL VOTE: **Ayes:** Weems, Walker, Heinrich, Fox, Blau, Turner & Smith
Nays: None

MOTION UNANIMOUSLY APPROVED

C. OCSBA PROPOSED BYLAW AMENDMENT

Presenter: Terri A. Weems, Board President

MOTION: It was moved by Ms. Claudia Heinrich and Supported by Dr. David Turner, that the Board of Education approves the OCSBA proposed Bylaw Amendment as presented.

ROLL CALL VOTE: **Ayes:** Weems, Walker, Heinrich, Fox, Blau, Turner & Smith
Nays: None

Proposed

MOTION UNANIMOUSLY APPROVED

D. CHROMEBOOK PURCHASE (IT)
Presenter: Wesley Prescott, Director of Technology, Oakland Schools

MOTION: It was moved by Mr. Donald Walker, Jr., and Supported by Ms. Angie Smith, that the Board of Education approve the purchase of 500 chromebooks in the amount of $155,300 from Sehi Computer Products utilizing the REMC contract pricing.

Ayes: Weems, Walker, Heinrich, Fox, Blau, Turner & Smith
Nays: None

MOTION UNANIMOUSLY APPROVED

E. 2025-26 SECTION 105 SCHOOLS OF CHOICE
Presenter: Kelly Coffin, Interim Superintendent

MOTION: It was moved by Ms. Claudia Heinrich and Supported by Dr. David Turner, that the Board of Education approve Section 105 Limited Schools of Choice for 2025/2026, as presented.

ROLL CALL VOTE: **Ayes:** Weems, Walker, Heinrich, Fox, Blau, Turner & Smith
Nays: None

MOTION UNANIMOUSLY APPROVED

F. RESOLUTION AUTHORIZING 2025 REFUNDING BONDS
Presenter: Jennifer Kaminski, Asst. Superintendent, Business Services, Ron Liscombe, Miller, Canfield, Paddock & Stone and Brodie Killian, Public Financial Management

MOTION: It was moved by Mr. Donald Walker, Jr., and Supported by Dr. David Turner, that the Board of Education approve the Resolution Authorizing 2025 Refunding Bonds and waive the reading of the resolution.

ROLL CALL VOTE: **Ayes:** Weems, Walker, Heinrich, Fox, Blau, Turner & Smith
Nays: None

Proposed

MOTION UNANIMOUSLY APPROVED

11. ITEMS FROM THE TREASURER

A. EXPENDITURES.

MOTION: It was moved by Ms. Claudia Heinrich and Supported by Ms. Angie Smith, that the Board of Education approve the expenditures as outlined in the expenditure printout dated October 22, 2024 as follows:

General Fund	$11,287,455
General Fund - Athletics	$202,946
Debt Fund	-
Capital Projects – Technology and Other Projects	-
Capital Projects – 2020 Bond Fund	$1,607,757
Capital Projects – 2023 Bond Fund	-
Nutrition Services Fund	$445,432
Benefit Stabilization Fund	$1,279,744
TOTAL	**$ 14,823,334**

Ayes: Weems, Walker, Heinrich, Fox, Blau, Turner & Smith
Nays: None

MOTION UNANIMOUSLY APPROVED

12. CONSENT AGENDA. It was moved by Ms. Angie Smith and Supported by Ms. Claudia Heinrich, that the Board of Education approve the October 22, 2024, Consent Agenda as follows:

A. Approval of Minutes
   1. October 08, 2024 - Regular meeting
   2. October 10, 2024 - Communication/Community Engagement Committee Meeting
   3. October 15, 2024 - Facilities/Finance Committee Meeting
   4. October 17, 2024 - Policy Committee Meeting

B. Approval of Parent Advisory Committee Representative - Dana Bruton

C. 2025 Resolution Compliance PA152

D. Head Start Directors Monthly

E. Personnel Items

ROLL CALL VOTE **Ayes:** Weems, Walker, Heinrich, Fox, Blau, Turner & Smith
Nays: None

Proposed

MOTION UNANIMOUSLY APPROVED

13. REPORTS FROM BOARD REPRESENTATIVES.

A. Dr. Cheryl Blau reminded everyone to buy their tickets to the toast for Education in support of Farmington | Farmington Hills Education Foundation.

B. President Terri Weems called Assistant Superintendent of Talent and Development to the podium to read a notice to all employees.

15. ADJOURNMENT.

The meeting adjourned at 9:07 p.m. The next regular meeting of the Board is scheduled for November 19, 2024 at 6:00 p.m. at the Maxfield Education Center.

Mable S. Fox
Farmington Board of Education
Board Secretary

Proposed

BOARD RETREAT
OF THE BOARD OF EDUCATION
LOC Federal Credit Union
22981 Farmington Rd.
Farmington, MI 48336
Saturday, November 16, 2024

President Weems called the meeting to order at 9:16 a.m.

ROLL CALL:

Present: Terri A. Weems, President
Donald Walker, Jr. Vice President
Claudia T. Heinrich, Treasurer
Mable S. Fox, Secretary
Cheryl B. Blau, Trustee
Angie F. Smith, Trustee (late)

Absent: David N. Turner, Trustee

Also Present: Kelly M. Coffin, Superintendent; Scott Morrell, MASB Facilitator; Thomas Hull, Trustee Elect

1. **PLEDGE OF ALLEGIANCE.** The Board stated the pledge.

2. **APPROVAL OF THE AGENDA.** It was moved by Trustee Heinrich and supported by Trustee Walker to approve the November 16, 2024, Board Retreat agenda, as presented.

VOICE VOTE:
Ayes: Fox, Heinrich, Weems, Blau, Walker
Nays: None

MOTION APPROVED 5-0.

3. **PUBLIC COMMENTS.** No public comment occurred.

4. **MASB SCHOOL BOARD SELF-ASSESSMENT.**
Mr. Scott Morell from Michigan Association of School Boards (MASB) shared the results of the most recent Board self-assessment. The Board walked through each area included in the self-assessment and compared current results to the most recent self-assessments taken in 2019 and 2021.

5. **REVIEW/FINALIZE BOARD PROTOCOLS.**
President Weems began the conversation by reviewing the District's Goals, including the District Improvement Plan, Superintendent Goals, and Board Goals with the Board trustees. President Weems then shared the Board protocols and made adjustments based on trustee input and feedback.

6. **REVIEW BOARD GOALS.**
President Weems reviewed the Board Goals as related to the District Goals, District Improvement Plan, and Superintendent Goals. Trustees offered feedback on progress toward each goal.

7. FPS DATA DISCUSSION.

The Board heard from Interim Superintendent, Dr. Kelly Coffin, on perception, growth and achievement data. The data sets included recent results from the FPS Staff Wellness, Engagement & Resilience Survey, ESSA Accountability Scorecards, College and Career Readiness, Middle School Perception Data, and DEI Draft Dashboards.

The Board discussed the information and shared questions related to each data set.

8. ADJOURNMENT. The Board of Education's November 16, 2024 Board Retreat was adjourned at 3:08 p.m.

Mable S. Fox
Board Secretary
Farmington Board of Education

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