



# Brandon School District

*Quality*

*Service*

*Planning*

*Delivering the highest quality education so every student can soar!*

Brandon Board of Education  
**Regular Meeting**  
Central Office Board Room and Zoom Platform  
1025 S. Ortonville Rd.  
Ortonville, Michigan 48462  
**October 17, 2022**  
**6:30 PM**

This meeting is a meeting of the Board of Education in public for the purpose of conducting the school district's business and is not to be considered a public community meeting. There is a time for public participation during the meeting.

## AGENDA

- I. Call to Order
- II. Roll Call
- III. Pledge of Allegiance
- IV. BHS Student Report
- V. Bond Update ~ Brian Smilnak
  - A. Bond Projects
- VI. Public Comments and Questions on Agenda Business
- VII. Superintendent Report ~ Daniel Gilbertson
- VIII. Approval of Consent Agenda
 

*The Brandon Board of Education deems all items listed on the consent agenda non-controversial and routine in nature. The body will approve these items under one motion and there will be no discussion. A member of the Brandon Board of Education wishing to discuss an item on the consent agenda may request it be removed from the consent agenda, and placed on the regular agenda. The body will consider and discuss the item at that time.*

  - A. Minutes of the September 19, 2022, Regular Meeting & Closed Session 3
  - B. General Fund Accounts Payable in the amount of \$ 3,045,394.92 6
- IX. Information and Discussion Items
  - A. Board Report ~ Diane Salter
  - B. Education Report ~ Carly Stone
    - 1. 2021-2022 State and Local Assessment Report
  - C. Finance Report ~ Janice Meek 7
    - 1. Audit Report - Plante & Moran
- X. Action Items
  - A. Approval of Plante & Moran Proposal to Assist the District with Bond Technology Design Services
  - B. Approval of the Fiscal Year 2022 Audited Financial Statements 11
  - C. Approval of Technical Corrections to Board Policies Resolution 61
  - D. Approval of Human Resource Report 63
  - E. Decision on whether to turf a second athletic field or not
- XI. Citizens' Input
- XII. Adjournment

## Public Participation at Board Meetings

The Brandon Board of Education recognizes the value of public comments and the importance of expressing yourselves to us on district matters.

### PUBLIC COMMENT GUIDELINES

**IN PERSON:** You must sign in with your name, email address or phone number, home address, group affiliation (if any) and the topic you are going to speak on. Sign In sheet is on table with agendas

**VIRTUALLY:** If participating virtually then “raise your hand” in the Zoom webinar control box with your name, contact email or phone number and indicate the topic you are going to speak on.

1. When addressing the Board please recognize yourself by stating your name.
2. Each statement shall be limited to THREE (3) minutes: you can only speak once.
3. The statements shall be directed at the board only.
4. Generally, the board will not respond to public comments during the meeting.
5. Speakers are asked to express themselves in a civil manner, with due respect for the dignity and privacy of others who may be affected by your comments.

To ensure due process and respect of individual rights, the district maintains a formal process for handling complaints against individuals. A problem involving an individual or specific incident is best handled through administrative channels. Such matter should be reduced to writing and sent to the superintendent or the board president.

While it is not our intent to stifle public comment, speakers should be aware that if your statements violate the rights of others under the law of defamation or invasion of privacy, you may be held legally responsible. If you are unsure of the legal ramifications of what you are about to say, we urge you to consult first with your legal advisor.

The board wants to hear what people want to say. We expect each speaker will model for our students and others in the audience on how one can respectfully disagree with others' views or voice an opinion or ask questions.



# Brandon School District

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Brandon Board of Education  
**Regular Meeting**  
Central Office Board Room and Zoom Platform  
1025 S. Ortonville Road  
Ortonville, Michigan 48462

**September 19, 2022**  
**6:30 PM**

## UNOFFICIAL MINUTES

- I. Call to Order – 6:30 p.m. by Diane Salter
- II. Roll Call  
Present: John Chartier, Rebecca Haynes, Lisa Kavalhuna, Diane Salter, Kimberly Smith-Kulaga, Hilary Stockoski (arrived at 7:28 p.m.) Jeff Zielke
- III. Pledge of Allegiance
- IV. BHS Student Report  
Brandon High School students Kali Crum and Olivia Hanson reviewed a presentation on recent and upcoming events at Brandon High School.
- V. Bond Update  
Brian Smilnak provided a presentation regarding the Brandon School District bond program. He provided his monthly design and construction report for summer 2023 construction and 2024 summer construction. He shared that we will be going out for bids this fall for summer 2023 construction work. He shared that summer 2022 construction projects have been completed; Harvey-Swanson playground and Oakwood parking lot, but the new drain still needs to be completed.  
A. Bond Projects
- VI. Superintendent Report  
A. Introduction of New Employees  
Superintendent Gilbertson and the principals welcomed and introduced new employees. New employees shared information regarding their personal and professional backgrounds.  
  
Superintendent Gilbertson shared that we are in full swing with students attending school and getting engaged in learning. He shared that he is volunteering at September Fest with the Ortonville Lions Club, and he is looking forward to the upcoming Distinguished Alumni Ceremony and Homecoming.
- VII. Public Comments and Questions on Agenda Business  
No one from the public wished to address the Board.
- VIII. Approval of Consent Agenda  
*The Brandon Board of Education deems all items listed on the consent agenda non-controversial and routine in nature. The body will approve these items under one motion and there will be no discussion. A member of the Brandon Board of Education wishing to discuss an item on the consent agenda may request it be removed from the consent agenda, and placed on the regular agenda. The body will consider and discuss the item at that time.*  
John Chartier moved and Lisa Kavalhuna supported that the Brandon Board of Education approve the consent agenda as presented. Carried unanimously 6-0. Roll call vote: J. Chartier – yes; R. Haynes – yes; L. Kavalhuna – yes; D. Salter – yes; K. Smith-Kulaga – yes; J. Zielke – yes. Consent agenda items include:  
A. Minutes of September 7, 2022, Special Meeting

B. Minutes of the August 15, 2022, Regular Meeting & Closed Session

C. General Fund Accounts Payable in the amount of \$ 2,208,729.43

IX. Information and Discussion Items

A. Board Report

Diane Salter shared that the Board is thankful to the staff for getting students to school as safely as possible. She welcomed new Board member John Chartier to the Board. She provided a general update on the bond and shared that the Board and administrators met. She shared the Board did not make any decisions and they are waiting for additional research by the architect. She shared that she and Rebecca Haynes registered to attend a school security meeting sponsored by the Oakland County School Boards Association.

B. Education Report

1. SEL Plan for the 2022-2023 school year

Carly Stone, Ellen Hagerman, Dr. Jessica Cohen and Jeannie Marthen shared a presentation regarding the Social Emotional Learning (SEL) Plan for students and staff professional learning schedule for the school year 2022-2023 and beyond. They shared that the intent of the plan is to build an aligned system that monitors and supports the mental health of all of the students in the Brandon School District.

C. Finance Report

Janice Meek shared that she has no new information to report.

X. Action Items

A. Election of Vice-President

Rebecca Haynes nominated Kimberly Smith-Kulaga as Vice-President and Lisa Kavalhuna supported. Rebecca Haynes moved and John Chartier supported that the Brandon Board of Education elect Kimberly Smith-Kulaga as Vice-President for the remainder of the 2022 calendar year. Carried unanimously 6-0. Roll call vote: J. Chartier – yes; R. Haynes – yes; L. Kavalhuna – yes; D. Salter – yes; K. Smith-Kulaga – yes; J. Zielke – yes.

Election of Secretary

Kimberly Smith-Kulaga nominated Rebecca Haynes as Secretary and Lisa Kavalhuna supported. Kimberly Smith-Kulaga moved and Lisa Kavalhuna supported that the Brandon Board of Education elect Rebecca Haynes as Secretary for the remainder of the 2022 calendar year. Carried unanimously 6-0. Roll call vote: J. Chartier – yes; R. Haynes – yes; L. Kavalhuna – yes; D. Salter – yes; K. Smith-Kulaga – yes; J. Zielke – yes.

Election of Treasurer

Rebecca Haynes nominated Hilary Stockoski as Treasurer and Lisa Kavalhuna supported. Rebecca Haynes moved and Lisa Kavalhuna supported that the Brandon Board of Education elect Hilary Stockoski as Treasurer for the remainder of the 2022 calendar year. Carried unanimously 6-0. Roll call vote: J. Chartier – yes; R. Haynes – yes; L. Kavalhuna – yes; D. Salter – yes; K. Smith-Kulaga – yes; J. Zielke – yes.

B. Board of Education Representative to the Oakland County Intermediate School District

Kimberly Smith-Kulaga moved and Lisa Kavalhuna supported that the Brandon Board of Education select Jeff Zielke as the Oakland County Intermediate School District representative. Carried unanimously 6-0. Roll call vote: J. Chartier – yes; R. Haynes – yes; L. Kavalhuna – yes; D. Salter – yes; K. Smith-Kulaga – yes; J. Zielke – yes.

C. Approval of Human Resource Report

Lisa Kavalhuna moved and Kimberly Smith-Kulaga supported that the Brandon Board of Education approve the Human Resource Report as presented. Carried unanimously 6-0. Roll call vote: J. Chartier – yes; R. Haynes – yes; L. Kavalhuna – yes; D. Salter – yes; K. Smith-Kulaga – yes; J. Zielke – yes.

D. Approval of Oakwood Elementary Overnight Trip to Mackinac Island

Lisa Kavalhuna moved and Kimberly Smith-Kulaga supported that the Brandon Board of Education approve the Oakwood Elementary 5<sup>th</sup> grade students overnight trip to Mackinac Island, May 24-25, 2023

as presented. Carried unanimously 6-0. Roll call vote: J. Chartier – yes; R. Haynes – yes; L. Kavalhuna – yes; D. Salter – yes; K. Smith-Kulaga – yes; J. Zielke – yes.

E. Approval of Harvey-Swanson Elementary Overnight Trip to Mackinac Island

Rebecca Haynes moved and John Chartier supported that the Brandon Board of Education approve the Harvey-Swanson 5<sup>th</sup> grade students overnight trip to Mackinac Island, May 24-25, 2023 as presented. Carried unanimously 6-0. Roll call vote: J. Chartier – yes; R. Haynes – yes; L. Kavalhuna – yes; D. Salter – yes; K. Smith-Kulaga – yes; J. Zielke – yes.

F. Approval of BHS Student Council Overnight Trip to Camp Copneconic

Rebecca Haynes moved and John Chartier supported that the Brandon Board of Education approve the BHS Student Council overnight trip to Camp Copneconic October 10-11, 2022 as presented. Carried unanimously 6-0. Roll call vote: J. Chartier – yes; R. Haynes – yes; L. Kavalhuna – yes; D. Salter – yes; K. Smith-Kulaga – yes; J. Zielke – yes.

G. Approval to Purchase Band Instruments

John Chartier moved and Jeff Zielke supported that the Brandon Board of Education approve the motion to purchase band instruments not to exceed \$115,000 as presented, instead of the main motion not to exceed \$50,000 as presented. Carried unanimously 6-0. Roll call vote: J. Chartier – yes; R. Haynes – yes; L. Kavalhuna – yes; D. Salter – yes; K. Smith-Kulaga – yes; J. Zielke – yes.

H. Resolution Authorizing Purchase of Weapons Detection System

Lisa Kavalhuna moved and Kimberly Smith-Kulaga supported that the Brandon Board of Education approve to purchase Weapons Detection System as presented. Carried unanimously 6-0. Roll call vote: J. Chartier – yes; R. Haynes – yes; L. Kavalhuna – yes; D. Salter – yes; K. Smith-Kulaga – yes; J. Zielke – yes.

I. Approval of DM Burr Contract Addendum

Lisa Kavalhuna moved and Rebecca Haynes supported that the Brandon Board of Education approve the DM Burr Contract Addendum as presented. Carried unanimously 6-0. Roll call vote: J. Chartier – yes; R. Haynes – yes; L. Kavalhuna – yes; D. Salter – yes; K. Smith-Kulaga – yes; J. Zielke – yes.

XI. Citizens' Input

Jen Freese addressed the Board about Harvey-Swanson student drop-off and parking.

XII. Closed Session ~ Negotiations

Lisa Kavalhuna moved and Rebecca Haynes supported that the Brandon Board of Education approve to convene a closed meeting at the request of the school district's administration to discuss strategy connected with the negotiation of a collective bargaining agreement. Carried unanimously 6-0. Roll call vote: J. Chartier – yes; R. Haynes – yes; L. Kavalhuna – yes; D. Salter – yes; K. Smith-Kulaga – yes; J. Zielke – yes.

Audience dismissed at 7:24 p.m.

Closed Session started 7:28 p.m.

Return to open session at 8:27 p.m.

XIII. Adjournment – 8:27 by Diane Salter

Minutes prepared by Maria Schubring, Recording Secretary

  
Rebecca Haynes, Secretary

9/29/2022  
Date

**BRANDON SCHOOL DISTRICT  
ALL FUNDS  
COVER SHEET**

**September  
2022**

All Funds Check Register	\$ 1,414,894.27
BMO Harris Bank Purchase Card Register	\$ 14,771.53
Pre-pays	\$ -
Employee Reimbursements (09.09.2022)	\$ 1,830.39
Employee Reimbursements (09.23.2022)	\$ 1,154.17
MESSA Insurance	\$ 190,153.86
Set Seg Insurance	\$ -
EDUSTAFF	\$ 137,595.35
Payroll Runs - net of reimbursements shown above	
Payroll Run 09.10.2022 (Run 623)	\$ 641,401.97
Payroll Run 09.23.2022 (Run 624)	\$ 643,593.38

**Total for Approval: \$ 3,045,394.92**

Please contact Janice Ziesel at 248-627-1810 or by email at [jziesel@brandon.k12.mi.us](mailto:jziesel@brandon.k12.mi.us) prior to the meeting if you have questions.

**Brandon School District**  
**Budget to Actual w MTD Actual by St. Fund-Type-St.RevX00-St.FuncX00**  
As of 8/31/2022

Code	Description	WB Budget	MTD Actual	Actual	Encumbrance	Balance	% of Utilization
<b>St. Fund: 11</b>							
<b>Type: 4 Revenue</b>							
<b>St. Revenue X00:</b>	100 Revenue from Local Sources						
111	Property Tax Levy	2,820,000.00	106,172.73	133,527.18	0.00	2,686,472.82	4.73%
119	Penalties on Delinquent Taxes	0.00	0.00	0.00	0.00	0.00	0.00%
131	Tuition	0.00	2,240.00	2,240.00	0.00	-2,240.00	0.00%
141	Transportation Fees	0.00	0.00	0.00	0.00	0.00	0.00%
151	Earnings on Investment/Deposit	1,000.00	0.00	6,006.51	0.00	-5,006.51	600.65%
171	Admissions	47,000.00	1,525.00	1,525.00	0.00	45,475.00	3.24%
173	Dues and Fees	47,000.00	6,831.50	11,606.50	0.00	35,393.50	24.69%
181	Rev from Comm Serv Activities	123,000.00	1,583.75	8,228.75	0.00	114,771.25	6.69%
193	Gain/Loss Sale of Fixed Assets	2,000.00	0.00	0.00	0.00	2,000.00	0.00%
199	Misc Local Revenues	25,000.00	250.00	265.00	0.00	24,735.00	1.06%
<b>St. Revenue X00:</b>	<b>100 Revenue from Local Sources Total:</b>	<b>3,065,000.00</b>	<b>118,602.98</b>	<b>163,398.94</b>	<b>0.00</b>	<b>2,901,601.06</b>	<b>5.33%</b>
<b>St. Revenue X00:</b>	300 Rev from State Sources						
311	Unrestricted from Grants	15,975,554.00	2,954.00	31,697.07	0.00	15,943,856.93	7.19%
312	Restricted from Grants	4,340,382.00	0.00	238,030.00	0.00	4,102,352.00	5.48%
317	Restricted from Public School	1,060,655.00	0.00	228,764.65	0.00	831,890.35	21.56%
<b>St. Revenue X00:</b>	<b>300 Rev from State Sources Total:</b>	<b>21,376,591.00</b>	<b>2,954.00</b>	<b>498,491.72</b>	<b>0.00</b>	<b>20,878,099.28</b>	<b>2.33%</b>
<b>St. Revenue X00:</b>	400 Rev from Federal Sources						
414	Restricted from State	1,385,307.00	0.00	0.00	0.00	1,385,307.00	0.00%
415	Restricted from Other	0.00	0.00	0.00	0.00	0.00	0.00%
417	Restricted from Public School	773,398.00	0.00	0.00	0.00	773,398.00	0.00%
418	Unrestrict from Public School	0.00	0.00	0.00	0.00	0.00	0.00%
419	Other Fed Sources	0.00	3,479.04	3,479.04	0.00	-3,479.04	0.00%
<b>St. Revenue X00:</b>	<b>400 Rev from Federal Sources Total:</b>	<b>2,158,705.00</b>	<b>3,479.04</b>	<b>3,479.04</b>	<b>0.00</b>	<b>2,155,225.96</b>	<b>0.16%</b>
<b>St. Revenue X00:</b>	500 Incoming Transfer/Oth Transact						
513	ISD Collected Millage Tax	1,107,301.00	0.00	0.00	0.00	1,107,301.00	0.00%
519	Other Distribution frm oth PS	135,094.00	0.00	0.00	0.00	135,094.00	0.00%
552	Adj to Prior Period Exp	0.00	0.00	0.00	0.00	0.00	0.00%
594	Capital Lease Transactions	0.00	0.00	0.00	0.00	0.00	0.00%
<b>St. Revenue X00:</b>	<b>500 Incoming Transfer/Oth Transact Total:</b>	<b>1,242,395.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,242,395.00</b>	<b>0.00%</b>
<b>St. Revenue X00:</b>	600 Fund Modifications						
625	School Lunch Fund Modification	0.00	0.00	0.00	0.00	0.00	0.00%

User: JMEEK - Jan Ziesel

Page

Current Date: 09/09/2022

Report: OSGL6037B - OSGL6037B: Budget to Actual w MTD Actu

1

Current Time: 10:25:16

Selection:

FY = '2023' AND GLBA\_BUDACT\_MSTR.[glba\_gr] = 'GL' AND GLBA\_BUDACT\_MSTR.[glba\_level] = 'OB' AND GLK\_KEY\_MSTR.[glk\_sec\_part02] = '11'

Vers. 1

**Brandon School District**  
**Budget to Actual w MTD Actual by St. Fund-Type-St.RevX00-St.FuncX00**  
As of 8/31/2022

Code	Description	WB Budget	MTD Actual	Actual	Encumbrance	Balance	% of Utilization
631	Debt Service Fund Modification	128,167.00	0.00	0.00	0.00	128,167.00	0.00%
632	IPA Fund Modification	338,102.00	0.00	0.00	0.00	338,102.00	0.00%
<b>St. Revenue X00:</b>	<b>600 Fund Modifications</b>	<b>466,269.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>466,269.00</b>	<b>0.00%</b>
<b>Type:</b>	<b>4 Revenue</b>	<b>28,308,960.00</b>	<b>125,036.02</b>	<b>665,369.70</b>	<b>0.00</b>	<b>27,643,590.30</b>	<b>2.35%</b>
<b>Type: 5 Expense</b>							
<b>St. Function X00:</b>	<b>100 Instruction</b>						
111	Elementary	5,138,709.00	22,058.21	23,434.70	28,363.37	5,086,910.93	1.00%
112	Middle/JR High School	2,557,173.00	9,803.18	10,149.13	8,461.76	2,538,562.11	0.72%
113	High School	4,849,824.00	18,272.29	66,744.88	20,296.07	4,762,783.05	1.79%
118	Pre-School	531,079.00	8,854.25	11,819.28	9,212.44	510,047.28	3.96%
119	Summer School	120,019.00	30,970.13	46,164.01	274.85	73,580.14	38.69%
122	Special Education	2,235,295.00	8,307.74	8,570.48	2,457.37	2,224,267.15	0.49%
125	Compensatory Education	764,557.00	2,001.35	4,996.35	0.00	759,560.65	0.65%
127	Career & Technical	57,064.00	2,809.14	2,809.15	3,865.03	50,389.82	11.69%
216	Social Work Services	0.00	0.00	0.00	0.00	0.00	0.00%
<b>St. Function X00:</b>	<b>100 Instruction</b>	<b>16,253,720.00</b>	<b>103,076.29</b>	<b>174,687.98</b>	<b>72,930.89</b>	<b>16,006,101.13</b>	<b>8.52%</b>
<b>St. Function X00:</b>	<b>200 Supporting Services</b>						
212	Guidance Services	831,263.00	1,041.39	6,410.19	0.00	824,852.81	0.77%
213	Health Services	107,000.00	1,815.26	1,815.26	0.00	105,184.74	1.69%
214	Psychological Services	198,859.00	21.40	21.41	0.00	198,837.59	0.01%
215	Speech Path & Audiology	316,067.00	1,651.65	2,049.05	0.00	314,017.95	0.64%
216	Social Work Services	325,269.00	1.73	4.02	0.00	325,264.98	0.00%
217	Visual Aid Services	0.00	0.00	0.00	0.00	0.00	0.00%
218	Teacher Consultant	8,829.00	2,075.00	2,075.00	0.00	6,754.00	23.50%
219	Othr Pupil Support Svc	18,370.00	0.00	0.00	0.00	18,370.00	0.00%
221	Improve of Instruction	600,309.00	58,661.94	75,550.90	80,948.53	443,809.57	26.06%
222	Ed Media Services	148,752.00	2,541.87	8,325.13	590.82	139,836.05	5.99%
225	Technology Assist Instructn	89,583.00	0.00	0.00	4,039.28	85,543.72	4.50%
226	Supv/Dir Instr Staff	300,085.00	7,901.34	11,973.11	0.00	288,111.89	3.98%
227	Academic Student Assessment	38,588.00	0.00	20,400.00	0.00	18,188.00	52.86%
229	Other Instructional Staff Svc	0.00	0.00	0.00	0.00	0.00	0.00%
231	Board of Education	106,950.00	20,431.21	28,529.21	0.00	78,420.79	26.67%
232	Exec Administration	393,416.00	35,731.49	70,714.21	205.79	322,496.00	18.02%
241	Principal Office	1,298,213.00	68,894.29	90,346.42	0.00	1,207,866.58	6.95%

User: JMEEK - Jan Ziesel

Page

Current Date: 09/09/2022

Report: OSGL6037B - OSGL6037B: Budget to Actual w MTD Actu

2

Current Time: 10:25:16

Selection:

FY = '2023' AND GLBA\_BUDACT\_MSTR.[glba\_gr] = 'GL' AND GLBA\_BUDACT\_MSTR.[glba\_level] = 'OB' AND  
GLK\_KEY\_MSTR.[glk\_sec\_part02] = '11'

Vers. 1

**Brandon School District**  
**Budget to Actual w MTD Actual by St. Fund-Type-St.RevX00-St.FuncX00**  
As of 8/31/2022

Code	Description	WB Budget	MTD Actual	Actual	Encumbrance	Balance	% of Utilization	
249	Other School Administration	17,000.00	170.00	170.00	0.00	16,830.00	1.00%	
252	Fiscal Services	512,393.00	41,494.06	83,679.05	4.13	428,709.82	16.33%	
257	Internal Services	7,000.00	-528.88	-528.88	0.00	7,528.88	-7.55%	
259	Oth Business Svcs	66,300.00	0.00	6,158.66	0.00	60,141.34	9.28%	
261	Oper Bldg Svcs	2,415,522.00	111,132.05	443,191.12	57,977.82	1,914,353.06	20.74%	
266	Security Services	323,636.00	3,186.00	3,643.60	0.00	319,992.40	1.12%	
271	Pupil Transportation Svc	1,707,910.00	9,577.45	9,577.45	0.00	1,698,332.55	0.56%	
281	Plan, Research, Dev and Eval	0.00	0.00	0.00	0.00	0.00	0.00%	
282	Communication Services	51,768.00	5,602.08	5,602.08	0.00	46,165.92	10.82%	
283	Staff/Personnel Svcs	240,529.00	19,916.06	49,395.10	0.00	191,133.90	20.53%	
284	Support Svcs Tech	518,983.00	45,420.87	68,186.08	21,693.41	429,103.51	17.31%	
285	Pupil Accounting	114,522.00	9,231.83	18,463.68	0.00	96,058.32	16.12%	
291	Pupil Activities	65,440.00	1,136.00	1,136.00	0.00	64,304.00	1.73%	
293	Athletic Activities	622,069.00	34,832.33	34,933.30	64,325.84	522,809.86	15.95%	
<b>St. Function X00:</b>	<b>200 Supporting Services</b>	<b>Total:</b>	<b>11,444,625.00</b>	<b>481,938.42</b>	<b>1,041,821.15</b>	<b>229,785.62</b>	<b>10,173,018.23</b>	<b>11.11%</b>
<b>St. Function X00:</b>	<b>300 Community Services</b>							
311	Community Services Direction	138,759.00	18,187.48	12,643.33	0.00	126,115.67	9.11%	
321	Community Recreation	321.00	0.00	74.82	0.00	246.18	23.30%	
331	Community Activities	0.00	0.00	0.00	0.00	0.00	0.00%	
<b>St. Function X00:</b>	<b>300 Community Services</b>	<b>Total:</b>	<b>139,080.00</b>	<b>18,187.48</b>	<b>12,718.15</b>	<b>0.00</b>	<b>126,361.85</b>	<b>9.14%</b>
<b>St. Function X00:</b>	<b>400 Payments to Oth Gvnt Agencies</b>							
411	Pymt to K12 Public W/In St	0.00	0.00	0.00	0.00	0.00	0.00%	
452	Site Improvement Services	15,000.00	0.00	0.00	0.00	15,000.00	0.00%	
491	Prior Period Adj Material	0.00	0.00	0.00	0.00	0.00	0.00%	
492	Prior Period Adj Non Matr	0.00	0.00	0.00	0.00	0.00	0.00%	
<b>St. Function X00:</b>	<b>400 Payments to Oth Gvnt Agencies</b>	<b>Total:</b>	<b>15,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>15,000.00</b>	<b>0.00%</b>
<b>St. Function X00:</b>	<b>500 Other Financing Uses</b>							
511	Debt Svc LT-Principal	476,585.00	0.00	31,188.00	0.00	445,397.00	6.54%	
<b>St. Function X00:</b>	<b>500 Other Financing Uses</b>	<b>Total:</b>	<b>476,585.00</b>	<b>0.00</b>	<b>31,188.00</b>	<b>0.00</b>	<b>445,397.00</b>	<b>6.54%</b>
<b>St. Function X00:</b>	<b>600 Transfers Out</b>							
611	Fund Mod-General Fund	0.00	0.00	0.00	0.00	0.00	0.00%	
623	Fund Mod-Child Care Fund	0.00	0.00	0.00	0.00	0.00	0.00%	
639	Fund Mod-LT Debt Fund	0.00	0.00	0.00	0.00	0.00	0.00%	
<b>St. Function X00:</b>	<b>600 Transfers Out</b>	<b>Total:</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00%</b>	
<b>Type:</b>	<b>5</b>	<b>Expense Total:</b>	<b>28,329,010.00</b>	<b>603,202.19</b>	<b>1,260,415.28</b>	<b>302,716.51</b>	<b>26,765,878.21</b>	<b>5.51%</b>

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GLK\_KEY\_MSTR.[glk\_sec\_part02] = '11'

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**Brandon School District**  
**Budget to Actual w MTD Actual by St. Fund-Type-St.RevX00-St.FuncX00**  
As of 8/31/2022

Code	Description	WB Budget	MTD Actual	Actual	Encumbrance	Balance	% of Utilization
St. Fund: 11	Total:	-20,050.00	-478,166.17	-595,045.58	-302,716.51	877,712.09	4,477.61%
	End of Report	Grand Total:	-20,050.00	0.00	-595,045.58		

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# Brandon School District

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**Financial Report  
with Supplemental Information  
June 30, 2022**

<b>Independent Auditor's Report</b>	1-3
<b>Management's Discussion and Analysis</b>	4-10
<b>Basic Financial Statements</b>	
Government-wide Financial Statements:	
Statement of Net Position	11
Statement of Activities	12
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	13
Reconciliation of the Balance Sheet to the Statement of Net Position	14
Statement of Revenue, Expenditures, and Changes in Fund Balances	15
Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances to the Statement of Activities	16
Fiduciary Fund:	
Statement of Fiduciary Net Position	17
Statement of Changes in Fiduciary Net Position	18
Notes to Financial Statements	19-37
<b>Required Supplemental Information</b>	38
Budgetary Comparison Schedule - General Fund	39
Schedule of the School District's Proportionate Share of the Net Pension Liability	40
Schedule of the School District's Pension Contributions	41
Schedule of the School District's Proportionate Share of the Net OPEB Liability	42
Schedule of the School District's OPEB Contributions	43
Notes to Required Supplemental Information	44
<b>Other Supplemental Information</b>	45
Nonmajor Governmental Funds:	
Combining Balance Sheet	46
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances	47
Schedule of Bonded Indebtedness	48
<b>Federal Awards Supplemental Information</b>	Issued Under Separate Cover

## Independent Auditor's Report

To the Board of Education  
Brandon 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 Brandon School District (the "School District") as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School District as of June 30, 2022 and the respective changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

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

#### **Responsibilities of Management for the Financial Statements**

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

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

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

To the Board of Education  
Brandon School District

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 Supplemental Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplemental 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 supplemental 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.

#### ***Supplemental Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The other supplemental 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 supplemental information is fairly stated in all material respects in relation to the basic financial statements as a whole.

To the Board of Education  
Brandon School District

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 2022 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

*Plante & Moran, PLLC*

September 28, 2022

This section of Brandon 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, 2022. Please read it in conjunction with the School District's financial statements, which immediately follow this section.

### **Using This Annual Report**

This annual report consists of a series of financial statements and notes to those financial statements. These statements are organized so the reader can understand Brandon 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 and the 2022 Capital Projects Fund, with all other funds presented in one column as nonmajor funds. The remaining statement, the statement of fiduciary net position, presents financial information about activities for which the School District acts solely as an agent for the benefit of students and parents. This report is composed of the following elements:

### **Management's Discussion and Analysis (MD&A) (Required Supplemental Information)**

#### **Basic Financial Statements**

Government-wide Financial Statements

Fund Financial Statements

Notes to Financial Statements

#### **Required Supplemental Information**

Budgetary Comparison Schedule - General Fund

Schedule of the School District's Proportionate Share of the Net Pension Liability

Schedule of the School District's Pension Contributions

Schedule of the School District's Proportionate Share of the Net OPEB Liability

Schedule of the School District's OPEB Contributions

#### **Other Supplemental Information**

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

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

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

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

#### ***Reporting the School District's Fund Financial Statements***

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

#### **Governmental Funds**

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

#### **Fiduciary Funds**

The School District has certain fiduciary responsibility for its custodial fund. All of the School District's fiduciary activities related to the Expendable Fletcher/Jones Endowment are reported in a separate statement of fiduciary net position and statement of changes in fiduciary net position. We exclude these activities from the School District's other financial statements because the School District cannot use these assets to finance its operations. The School District is responsible for ensuring that the assets reported in this fund are used for their intended purposes.

## Brandon School District

### Management's Discussion and Analysis (Continued)

#### The School District as a Whole

Recall that the statement of net position provides the perspective of the School District as a whole. The following table provides a summary of the School District's net position as of June 30, 2022 and 2021:

	Governmental Activities	
	2022	2021
	(in millions)	
<b>Assets</b>		
Current and other assets	\$ 32.2	\$ 10.5
Capital assets	73.3	74.9
Total assets	105.5	85.4
<b>Deferred Outflows of Resources</b>	8.9	12.5
<b>Liabilities</b>		
Current liabilities	4.2	4.1
Noncurrent liabilities	114.2	100.2
Net pension liability	28.6	42.1
Net OPEB liability	1.8	6.5
Total liabilities	148.8	152.9
<b>Deferred Inflows of Resources</b>	21.2	10.5
<b>Net Position (Deficit)</b>		
Net investment in capital assets	(18.8)	(23.8)
Restricted	0.6	0.4
Unrestricted	(37.4)	(42.1)
Total net position (deficit)	<u>\$ (55.6)</u>	<u>\$ (65.5)</u>

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 \$(55.6) million at June 30, 2022. Net investment in capital assets totaling \$(18.8) 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, \$(37.4) million, was unrestricted.

The \$(37.4) 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 and OPEB liabilities from the state-managed retirement system). The unrestricted net position balance enables the School District to meet working capital and cash flow requirements and to provide for future uncertainties. The operating results of the General Fund will have a significant impact on the change in unrestricted net position from year to year.

## Brandon School District

### Management's Discussion and Analysis (Continued)

The results of this year's operations for the School District as a whole are reported in the condensed statement of activities below, which shows the changes in net position for the years ended June 30, 2022 and 2021:

	Governmental Activities	
	2022	2021
	(in millions)	
<b>Revenue</b>		
Program revenue:		
Charges for services	\$ 0.6	\$ 0.3
Operating grants	11.1	8.6
General revenue:		
Taxes	11.4	11.0
State aid not restricted to specific purposes	15.7	15.6
Other	0.6	0.4
Total revenue	39.4	35.9
<b>Expenses</b>		
Instruction	12.2	14.0
Support services	9.7	9.8
Athletics	0.5	0.6
Food services	1.0	1.0
Community services	0.5	0.3
Interdistrict payments	0.3	0.3
Debt service	2.4	3.8
Depreciation expense (unallocated)	2.9	2.8
Total expenses	29.5	32.6
<b>Change in Net Position</b>	9.9	3.3
<b>Net Position (Deficit) - Beginning of year</b>	(65.5)	(68.8)
<b>Net Position (Deficit) - End of year</b>	<u>\$ (55.6)</u>	<u>\$ (65.5)</u>

As reported in the statement of activities, the cost of all of our governmental activities this year was \$29.5 million. Certain activities were partially funded from those who benefited from the programs (\$0.6 million) or by other governments and organizations that subsidized certain programs with grants and contributions (\$11.1 million). We paid for the remaining public benefit portion of our governmental activities with \$11.4 million in taxes, \$15.7 million in state foundation allowance, and other revenue (i.e., interest and general entitlements).

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 \$28.3 million, which is an increase of \$21.5 million from last year. The primary reasons for the increase are as follows:

The School District received proceeds from the 2022 bond issuance totaling approximately \$21.0 million. Additionally, the Childcare and Food Service funds ran operating surpluses due to additional COVID-19 funding. The 2019 Energy Bond and 2019 Installment Purchase Agreement funds both received operating transfers in, adding to their fund balances.

In the General Fund, our principal operating fund, there was an insignificant change in fund balance. The School District chose to transfer the General Fund operating surplus to an established debt service fund to use for future energy bond and installment purchase agreement debt service payments. The General Fund was the recipient of \$2.5 million in additional COVID-19 funds. For the most part, these funds are temporary to help offset the effects of COVID-19 learning. Uses of these funds include all new technology devices for students and teachers, virtual instruction, additional mental health professionals, upgraded cleaning and air filtration devices, and summer learning programs, to name a few.

Fund balance in our special revenue funds increased slightly from last year as a result of both the Food Service Fund and Childcare Fund continuing to generate an operating surplus during the year. As stated previously, new grant funding is the main reason for the increase in both of these funds.

The fund balance of our major debt service fund did not significantly change from the prior year. Millage rates stayed the same at 12.16 mills. Millage rates are determined annually to ensure that the School District accumulates sufficient resources to pay annual bond issue-related debt service. Debt service fund balances are reserved since they can be used only to pay debt service obligations. Tax revenue supports the debt service fund, with the School District borrowing only enough from the school bond loan fund to make up the difference in the May debt service payments. Therefore, the debt service fund balance remains very low year after year.

#### **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 2022. A schedule showing the School District's original and final budget amounts compared with amounts actually paid and received is provided in the required supplemental information of these financial statements.

There were significant revisions made to the 2021-2022 original budget. Budgeted General Fund revenue was increased by \$2.9 million to \$29 million due to the state aid per pupil increase being better than originally anticipated and the enrollment decrease being better than anticipated. The federal revenue budget increase of \$400k million due to coronavirus relief funding also contributed to the overall General Fund budget revenue increase.

Budgeted expenditures were also increased by \$2.5 million to \$28.5 million primarily due to an increase in staffing and negotiated salary increases. The increase in state aid supported these increases.

There was a \$(655,501) variance between the final budget and the actual expenditure amounts. This variance was due primarily to unexpended federal grant funding that will carry over to the 2022-2023 year. Most grants are budgeted for the full allocation of the grant on both the revenue and the expenditure side of the budget (i.e., 31a, IDEA, Title I). Both the revenue and expenditures reflect an equal budget variance for our grants. The fund balance is, therefore, not impacted.

# Brandon School District

## Management's Discussion and Analysis (Continued)

### Capital Assets and Debt Administration

#### Capital Assets

As of June 30, 2022, the School District had \$73.3 million invested in a broad range of capital assets, including land, buildings, vehicles, furniture, and equipment. This amount represents a net decrease (including additions, disposals, and depreciation) of approximately \$1.5 million, or 2.0 percent, from last year.

	2022	2021
Land	\$ 1,535,045	\$ 1,535,045
Buildings and improvements	111,409,129	111,329,663
Furniture and equipment	11,554,530	10,338,609
Buses and other vehicles	2,725,815	2,658,107
Total capital assets	127,224,519	125,861,424
Less accumulated depreciation	53,892,691	51,011,117
Total capital assets - Net of accumulated depreciation	<u>\$ 73,331,828</u>	<u>\$ 74,850,307</u>

This year's decrease in capital assets was primarily due to minimal capital additions, offset by an increase in the depreciation of existing assets. We present more detailed information about our capital assets in the notes to the financial statements.

#### Debt

At the end of this year, the School District had \$106.5 million in bonds outstanding versus \$94.8 million in the previous year, a change of 12.3 percent. Those bonds consisted of the following:

	2022	2021
General obligation bonds	\$ 106,485,000	\$ 94,750,000

The School District's general obligation bond rating continues to be A+. 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 2016 Refunding Bond, 2018 Refunding Bond, 2019 Refunding Bond, 2021 Refunding Bond, and 2022 Capital Projects Bond are state qualified and, therefore, are not subject to the 15 percent debt issue limit.

Other obligations include borrowings from the School Revolving Loan Fund, an installment purchase agreement, accrued vacation pay, sick leave, and financed purchases. We present more detailed information about our long-term liabilities in the notes to the financial statements.

#### Economic Factors and Next Year's Budgets and Rates

Our elected officials and administration considered many factors when setting the School District's 2022-2023 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 2022-2023 proposed budget was adopted in June 2022 based on an estimate of students who will enroll in September 2022. The June adopted budget also included an anticipated per pupil increase of \$450. The actual per pupil increase was \$450. Approximately 77.0 percent of the projected 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 2022 school year, we anticipate that the fall student count will be better than the estimates used in creating the 2022-2023 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 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 increase the per pupil funding level.

***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.

	<b>June 30, 2022</b>
	<u>Governmental Activities</u>
<b>Assets</b>	
Cash and cash equivalents (Note 4)	\$ 5,804,395
Receivables:	
Other receivables	337,647
Due from other governments	4,849,290
Inventories	18,422
Prepaid assets	63,883
Restricted cash and investments (Note 4)	21,124,151
Capital assets - Net (Note 6)	<u>73,331,828</u>
Total assets	105,529,616
<b>Deferred Outflows of Resources</b>	
Deferred charges on bond refunding (Note 8)	917,826
Deferred pension costs (Note 11)	5,766,535
Deferred OPEB costs (Note 11)	<u>2,212,297</u>
Total deferred outflows of resources	8,896,658
<b>Liabilities</b>	
Accounts payable	334,861
Accrued liabilities and other	3,010,277
Unearned revenue (Note 5)	898,027
Noncurrent liabilities:	
Due within one year (Note 8)	7,818,258
Due in more than one year (Note 8)	106,378,408
Net pension liability (Note 11)	28,573,933
Net OPEB liability (Note 11)	<u>1,820,545</u>
Total liabilities	148,834,309
<b>Deferred Inflows of Resources</b>	
Revenue in support of pension contributions made subsequent to the measurement date (Note 11)	1,871,888
Deferred pension cost reductions (Note 11)	11,644,850
Deferred OPEB cost reductions (Note 11)	<u>7,691,222</u>
Total deferred inflows of resources	<u>21,207,960</u>
<b>Net Position (Deficit)</b>	
Net investment in capital assets	(18,835,218)
Restricted:	
Debt service	595,342
Capital projects	30,817
Unrestricted	<u>(37,406,936)</u>
Total net position (deficit)	<u><b>\$ (55,615,995)</b></u>

**Year Ended June 30, 2022**

Functions/Programs	Program Revenue			Governmental
	Expenses	Charges for Services	Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
Primary government - Governmental activities:				
Instruction	\$ 12,210,225	\$ -	\$ 6,832,587	\$ (5,377,638)
Support services	9,705,608	-	2,928,252	(6,777,356)
Athletics	522,478	51,877	-	(470,601)
Food services	982,263	141,047	1,334,514	493,298
Community services	511,982	372,182	-	(139,800)
Interdistrict payments	319,243	-	-	(319,243)
Interest	2,104,521	-	-	(2,104,521)
Other	284,415	-	-	(284,415)
Depreciation expense (unallocated)	2,881,574	-	-	(2,881,574)
Total primary government	<b>\$ 29,522,309</b>	<b>\$ 565,106</b>	<b>\$ 11,095,353</b>	(17,861,850)
General revenue:				
Taxes:				
Property taxes, levied for general purposes				2,710,378
Property taxes, levied for debt service				8,649,404
State aid not restricted to specific purposes				15,746,054
Interest and investment earnings				40,383
Other				563,625
Total general revenue				<u>27,709,844</u>
<b>Change in Net Position</b>				9,847,994
<b>Net Position (Deficit) - Beginning of year</b>				<u>(65,463,989)</u>
<b>Net Position (Deficit) - End of year</b>				<b><u>\$ (55,615,995)</u></b>

**Brandon School District**

**Governmental Funds  
Balance Sheet**

**June 30, 2022**

	<u>General Fund</u>	<u>2022 Capital Projects Fund</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>				
Cash and investments (Note 4)	\$ 2,790,179	\$ -	\$ 3,014,216	\$ 5,804,395
Receivables:				
Other receivables	333,108	-	4,539	337,647
Due from other governments	4,732,736	-	116,554	4,849,290
Inventories	-	-	18,422	18,422
Prepaid assets	63,883	-	-	63,883
Restricted cash and investments (Note 4)	-	20,484,821	639,330	21,124,151
	<u>\$ 7,919,906</u>	<u>\$ 20,484,821</u>	<u>\$ 3,793,061</u>	<u>\$ 32,197,788</u>
Total assets				
<b>Liabilities</b>				
Accounts payable	\$ 278,270	\$ 37,950	\$ 18,641	\$ 334,861
Accrued liabilities and other	2,602,068	-	36,087	2,638,155
Unearned revenue (Note 5)	840,329	-	57,698	898,027
	<u>3,720,667</u>	<u>37,950</u>	<u>112,426</u>	<u>3,871,043</u>
Total liabilities				
<b>Fund Balances</b>				
Nonspendable:				
Inventories	-	-	18,422	18,422
Prepaid assets	63,383	-	-	63,383
Restricted:				
Debt service	-	-	238,980	238,980
Capital projects	-	20,446,871	382,479	20,829,350
Food service	-	-	641,707	641,707
Committed:				
Childcare Fund	-	-	207,556	207,556
Debt service	-	-	1,734,830	1,734,830
Student activities	-	-	456,661	456,661
Assigned (Note 2)	2,000,000	-	-	2,000,000
Unassigned	2,135,856	-	-	2,135,856
	<u>4,199,239</u>	<u>20,446,871</u>	<u>3,680,635</u>	<u>28,326,745</u>
Total fund balances				
Total liabilities and fund balances	<u>\$ 7,919,906</u>	<u>\$ 20,484,821</u>	<u>\$ 3,793,061</u>	<u>\$ 32,197,788</u>

**Governmental Funds**

**Reconciliation of the Balance Sheet to the Statement of Net Position**

**June 30, 2022**

<b>Fund Balances Reported in Governmental Funds</b>	<b>\$ 28,326,745</b>
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	127,224,519
Accumulated depreciation	<u>(53,892,691)</u>
Net capital assets used in governmental activities	73,331,828
Deferred inflows and outflows related to bond refundings are not reported in the funds	917,826
Bonds payable, financed purchases, installment purchase agreement obligations, and bond premiums are not due and payable in the current period and are not reported in the funds	(113,525,692)
Accrued interest is not due and payable in the current period and is not reported in the funds	(372,122)
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	(670,974)
Net pension liability and related deferred inflows and outflows	(34,452,248)
Net OPEB liability and related deferred inflows and outflows	(7,299,470)
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	<u>(1,871,888)</u>
<b>Net Position (Deficit) of Governmental Activities</b>	<b><u>\$ (55,615,995)</u></b>

**Brandon School District**

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

**Year Ended June 30, 2022**

	<u>General Fund</u>	<u>2022 Capital Projects Fund</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
<b>Revenue</b>				
Local sources	\$ 2,995,873	\$ 30,817	\$ 9,578,176	\$ 12,604,866
State sources	21,111,846	-	149,799	21,261,645
Federal sources	2,929,024	-	1,461,956	4,390,980
Interdistrict sources	1,413,748	-	-	1,413,748
Total revenue	<u>28,450,491</u>	<u>30,817</u>	<u>11,189,931</u>	<u>39,671,239</u>
<b>Expenditures</b>				
Current:				
Instruction	15,032,621	-	16,385	15,049,006
Support services	10,164,476	67,796	460,405	10,692,677
Athletics	589,738	-	-	589,738
Food services	-	-	1,087,854	1,087,854
Community services	234,723	-	346,050	580,773
Debt service:				
Principal	330,221	-	6,480,000	6,810,221
Interest	136,971	-	2,078,693	2,215,664
Other	-	281,666	2,749	284,415
Capital outlay	1,125,826	168,062	191,714	1,485,602
Interdistrict payments	319,243	-	-	319,243
Total expenditures	<u>27,933,819</u>	<u>517,524</u>	<u>10,663,850</u>	<u>39,115,193</u>
<b>Excess of Revenue Over (Under) Expenditures</b>	516,672	(486,707)	526,081	556,046
<b>Other Financing Sources (Uses)</b>				
Face value of debt issued	-	18,335,000	-	18,335,000
Premium on debt issued	-	2,598,578	-	2,598,578
School Loan Revolving Fund proceeds	-	-	18,091	18,091
Transfers in (Note 7)	80,000	-	521,550	601,550
Transfers out (Note 7)	(521,550)	-	(80,000)	(601,550)
Total other financing (uses) sources	<u>(441,550)</u>	<u>20,933,578</u>	<u>459,641</u>	<u>20,951,669</u>
<b>Net Change in Fund Balances</b>	75,122	20,446,871	985,722	21,507,715
<b>Fund Balances - Beginning of year</b>	<u>4,124,117</u>	<u>-</u>	<u>2,694,913</u>	<u>6,819,030</u>
<b>Fund Balances - End of year</b>	<u><u>\$ 4,199,239</u></u>	<u><u>\$ 20,446,871</u></u>	<u><u>\$ 3,680,635</u></u>	<u><u>\$ 28,326,745</u></u>

**Governmental Funds**

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

**Year Ended June 30, 2022**

<b>Net Change in Fund Balances Reported in Governmental Funds</b>	<b>\$ 21,507,715</b>
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	1,363,095
Depreciation expense	<u>(2,881,574)</u>
Total	(1,518,479)
Revenue in support of pension contributions made subsequent to the measurement date	(300,936)
Issuing debt, net of premiums and discounts, provides current financial resources to governmental funds but increases long-term liabilities in the statement of net position	(20,951,669)
Repayment of bond principal, financed purchases, and installment purchase payments are an expenditure in the governmental funds but not in the statement of activities (where it reduces long-term debt); amortization of premium/discounts related to bond refundings are not expenses in the governmental funds	7,008,657
Interest expense is recognized in the government-wide statements as it accrues	(87,293)
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	<u>4,189,999</u>
<b>Change in Net Position of Governmental Activities</b>	<b><u><u>\$ 9,847,994</u></u></b>

**Brandon School District**

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Fiduciary Fund  
Statement of Fiduciary Net Position

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**June 30, 2022**

	Expendable Fletcher/Jones Endowment
<b>Assets</b> - Cash and investments (Note 4)	<u>\$ 53,363</u>
<b>Net Position</b> - Restricted	<u><u>\$ 53,363</u></u>

**Brandon School District**

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**Fiduciary Fund**  
**Statement of Changes in Fiduciary Net Position**

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**Year Ended June 30, 2022**

	Expendable Fletcher/Jones Endowment
<b>Additions - Interest</b>	\$ 109
<b>Deductions - Scholarships awarded</b>	<u>5,000</u>
<b>Net Decrease in Fiduciary Net Position</b>	(4,891)
<b>Net Position - Beginning of year</b>	<u>58,254</u>
<b>Net Position - End of year</b>	<u><u>\$ 53,363</u></u>

**Note 1 - Nature of Business**

Brandon 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. 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 and its component units, as applicable. 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. Exceptions to this general rule occur when there are charges between the School District's business-type activities and various other functions. Eliminations of these charges would distort the direct costs and program revenue reported for the various functions concerned.

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

**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 the following 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 2022 Capital Projects Fund is used to record bond proceeds or other revenue and the disbursement of invoices specifically designated for equipping and re-equipping school buildings, equipment and technology upgrades, purchasing school buses, and remodeling and repairs.

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 nonmajor special revenue funds are the childcare fund, the student activities fund, and the food service fund. Any operating deficit generated by these activities is the responsibility of the General Fund.
- Debt service funds are used to record tax, interest, and other revenue for payment of interest, principal, and other expenditures on long-term debt.
- 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, equipment, and technology upgrades and for remodeling and repairs. The funds operate until the purpose for which they were created is accomplished.

**Fiduciary Funds**

Fiduciary funds include amounts held in a fiduciary capacity for others. These amounts are not used to operate the School District's programs. The School District's fiduciary fund consists of an expendable endowment, which includes contributions received by the School District to be awarded in the form of scholarships.

**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.

**Note 2 - Significant Accounting Policies (Continued)**

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.

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

***Specific Balances and Transactions***

**Cash and Investments**

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value, except for investments in MILAF, which are valued at amortized cost.

**Inventories and Prepaid Items**

Inventories are valued at cost on a first-in, first-out basis. Inventories accounted for using the consumption method are recorded as expenditures when consumed rather than when purchased and include commodities within the Food Service Fund. 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, when applicable.

**Note 2 - Significant Accounting Policies (Continued)**

**Restricted Assets**

The following amounts are reported as restricted assets:

- Cash proceeds from the sale of a building and related improvements that were previously purchased with bond proceeds. These proceeds will be restricted for future construction projects because the original asset was purchased with bond proceeds that were restricted for capital improvements.
- Unspent property taxes levied held in the debt service funds required to be set aside for future bond principal and interest payments

**Capital Assets**

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

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

	<u>Depreciable Life - Years</u>
Buildings and improvements	20 - 50
Furniture and equipment	5 - 20
Vehicles and buses	5

**Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the lives of the bonds 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 until then.

The School District reports deferred outflows related to deferred charges on bond refundings, deferred pension and OPEB plan 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.

**Note 2 - Significant Accounting Policies (Continued)**

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 and proprietary fund financial statements (as applicable), 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).

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.

**Note 2 - Significant Accounting Policies (Continued)**

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 finance director to assign fund balance. The Board of Education may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally exist only temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential either to remove or revise a commitment. As of June 30, 2022, the Board of Education has assigned \$2,000,000 of General Fund fund balance for capital improvements.

**Property Tax Revenue**

Property taxes are assessed as of December 31, and the related property taxes become a lien on July 1 of the following year. These taxes are billed on July 1 for approximately 50 percent of the taxes and on December 1 for the remainder of the property taxes. Taxes are considered delinquent on March 1 of the following year. At this time, penalties and interest are assessed, and the total obligation is added to the county tax rolls. 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.

**Pension and Other Postemployment Benefit (OPEB) Plans**

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

**Compensated Absences (Vacation and Sick Leave)**

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

**Note 2 - Significant Accounting Policies (Continued)**

**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 May 2020, the Governmental Accounting Standards Board issued Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, which defines SBITAs and provides accounting and financial reporting for SBITAs by governments. This statement requires a government to recognize a subscription liability and an intangible right-to-use subscription asset for SBITAs. The School District is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the School District's financial statements for the year ending June 30, 2023.

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.

**Subsequent Events**

The financial statements and related disclosures include evaluation of events up through and including September 28, 2022, which is the date the financial statements were available to be issued.

**Note 3 - Stewardship, Compliance, and Accountability**

**Budgetary Information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles and state law for the General Fund and all special revenue funds. All annual appropriations lapse at fiscal year end. The budget document presents information by fund and function. The legal level of budgetary control adopted by the governing body (i.e., the level at which expenditures may not legally exceed appropriations) is the function level. State law requires the School District to have its budget in place by July 1. Expenditures in excess of amounts budgeted are a violation of Michigan law. State law permits districts to amend their budgets during the year. During the year, the budget was amended in a legally permissible manner. There were no significant amendments during the year.

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

**Excess of Expenditures Over Appropriations in Budgeted Funds**

The School District did not have significant expenditure budget variances.

**Capital Projects Fund Compliance**

The 2022 Capital Projects Fund includes capital project activities funded with bonds issued after May 1, 1994. For these capital projects, the School District has complied with the applicable provisions of §1351a of the State of Michigan's School Code.<sup>37</sup>

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

The 2019 Energy Bond Capital Projects fund expenditures are not subject to applicable provisions of §1351a.

**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 three banks for the deposit of its funds.

There are no limitations or restrictions on participant withdrawals for approximately \$25,900,000 of the investment pools that are recorded at amortized cost, except for a minimum 1-day investment period. For approximately \$14,100 of investment pools, 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 amounts 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 does not have a deposit policy for custodial credit risk. At year end, the School District had \$866,703 of bank deposits (certificates of deposit and checking and savings accounts) that was uninsured and uncollateralized. The School District believes that, due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the School District evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

***Custodial Credit Risk of Investments***

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The School District's investment policy states that custodial credit risk will be minimized by limiting investments to the types of securities allowed by state law and by prequalifying the financial institutions, brokers/dealers, intermediaries, and advisors with which the School District will do business using the criteria established in the investment policy. At June 30, 2022, the School District does not have investments with custodial credit risk.

***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.

**Note 4 - Deposits and Investments (Continued)**

***Credit Risk***

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The School District has no investment policy that would further limit its investment choices. As of year end, the credit quality ratings of debt securities (other than the U.S. government) are as follows:

Investment	Fair Value	Rating	Rating Organization
MILAF External Investment Pool - MICMS	\$ 25,902,622	AAAm	Standard & Poor's
MILAF External Investment Pool - MIMAX	54,994	AAAm	Standard & Poor's
Total	<u>\$ 25,957,616</u>		

***Concentration of Credit Risk***

The School District's investment policy minimizes concentration of credit risk by requiring diversification of the investment portfolio so the impact of potential losses from any one type of security or issuer will be minimized. The School District does not have any investments subject to concentration of credit risk.

***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, 2022, the School District had \$898,027 of unearned revenue, primarily related to state and federal grants and categorical aid payments received prior to meeting all eligibility requirements.

**June 30, 2022**

**Note 6 - Capital Assets**

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

**Governmental Activities**

	Balance July 1, 2021	Additions	Disposals and Adjustments	Balance June 30, 2022
Capital assets not being depreciated - Land	\$ 1,535,045	\$ -	\$ -	\$ 1,535,045
Capital assets being depreciated:				
Buildings and improvements	111,329,663	79,466	-	111,409,129
Furniture and equipment	10,338,609	1,215,921	-	11,554,530
Vehicles and buses	2,658,107	67,708	-	2,725,815
Subtotal	124,326,379	1,363,095	-	125,689,474
Accumulated depreciation:				
Buildings and improvements	39,661,465	2,201,356	-	41,862,821
Furniture and equipment	8,851,036	22,016	-	8,873,052
Vehicles and buses	2,498,616	658,202	-	3,156,818
Subtotal	51,011,117	2,881,574	-	53,892,691
Net capital assets being depreciated	73,315,262	(1,518,479)	-	71,796,783
Net governmental activities capital assets	<u>\$ 74,850,307</u>	<u>\$ (1,518,479)</u>	<u>\$ -</u>	<u>\$ 73,331,828</u>

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

**Construction Commitments**

The School District has active construction projects at year end. Total outstanding commitments as of June 30, 2022 were \$1,307,257.

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

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

- \$80,000 transfer from the Food Service Fund to the General Fund to cover indirect cost
- \$521,550 transfer from the General Fund to the nonmajor 2019 Energy Bond debt service fund and the nonmajor 2019 Installment Purchase Agreement debt service fund to cover required principal and interest payments

**June 30, 2022**

**Note 8 - Long-term Debt**

Long-term debt activity for the year ended June 30, 2022 can be summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds and notes payable:					
Direct borrowings and direct placements:					
Installment purchase agreement	\$ 2,578,000	\$ -	\$ (155,000)	\$ 2,423,000	\$ 161,000
School Loan Revolving Fund	424	18,144	-	18,568	-
Total direct borrowings and direct placements principal outstanding	2,578,424	18,144	(155,000)	2,441,568	161,000
Other debt - General obligation bonds payable					
Unamortized bond premiums	94,750,000	18,335,000	(6,600,000)	106,485,000	7,105,000
	2,204,954	2,598,578	(263,995)	4,539,537	355,173
Total bonds and notes payable	99,533,378	20,951,722	(7,018,995)	113,466,105	7,621,173
Financed purchases					
Compensated absences	114,808	-	(55,221)	59,587	29,341
	556,087	114,887	-	670,974	167,744
Total governmental activities long-term debt	<u>\$ 100,204,273</u>	<u>\$ 21,066,609</u>	<u>\$ (7,074,216)</u>	<u>\$ 114,196,666</u>	<u>\$ 7,818,258</u>

The School District had deferred outflows of \$917,826 related to deferred charges on bond refundings at June 30, 2022.

**Installment Purchase Agreement**

During fiscal year 2019, the School District issued a \$2,874,000 installment purchase agreement (IPA), which represents a direct borrowing from a financial institution. The obligation carries a 2.91 percent interest rate payable on October 1 and April 1 of each year through maturity. Principal is payable on April 1 of each year, through maturity, with the final payment due in April 2034. In the event of unavailability or insufficiency of General Fund moneys to cover the related obligations of the IPA, the obligations will be payable from future operating taxes levied by the School District.

**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 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.

**June 30, 2022**

**Note 8 - Long-term Debt (Continued)**

General obligations outstanding at June 30, 2022 are as follows:

Purpose	Year Issued	Interest Rates	Maturing	Outstanding
\$46,220,000 Qualified serial refunding bond issue	2016	5%	2025	\$ 7,485,000
\$10,225,000 Qualified serial refunding bonds issue	2018	2.50% - 5.00%	2026	5,240,000
\$2,000,000 serial energy bonds issue	2019	3.00% - 3.75%	2033	1,655,000
\$25,860,000 serial refunding bond issue	2019	2.28% - 2.47%	2030	25,860,000
\$50,520,000 Qualified serial refunding bond issue	2021	0.32% - 2.43%	2036	47,910,000
\$18,335,000 Qualified serial capital projects bond issue	2022	4%	2041	18,335,000
Total governmental activities				<u>\$ 106,485,000</u>

**Other Long-term Liabilities**

Other long-term obligations include employee compensated absences and financed purchases, which will be liquidated primarily by the General Fund. The net pension liability and the net OPEB liability will be liquidated from the funds from which the individual employee's salaries are paid, generally the General Fund.

**Debt Service Requirements to Maturity**

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

Years Ending June 30	Governmental Activities				Total
	Direct Borrowings and Direct Placements		Other Debt		
	Principal	Interest	Principal	Interest	
2023	\$ 161,000	\$ 70,510	\$ 7,105,000	\$ 3,046,064	\$ 10,382,574
2024	168,000	65,824	8,065,000	2,151,228	10,450,052
2025	175,000	60,936	8,625,000	2,813,636	11,674,572
2026	182,000	55,844	8,955,000	2,530,334	11,723,178
2027	188,000	50,546	9,380,000	2,212,730	11,831,276
2028-2032	1,062,000	166,020	39,595,000	7,562,205	48,385,225
2033-2037	487,000	21,418	15,465,000	3,217,486	19,190,904
2038-2041	-	-	9,295,000	947,600	10,242,600
Total	<u>\$ 2,423,000</u>	<u>\$ 491,098</u>	<u>\$ 106,485,000</u>	<u>\$ 24,481,283</u>	<u>\$ 133,880,381</u>

**Note 8 - Long-term Debt (Continued)**

***School Loan Revolving Fund***

The School Loan Revolving Fund payable represents a direct borrowing from the State of Michigan for loans made to the School District, as authorized by the 1963 State of Michigan Constitution, for the purpose of paying principal and interest on general obligation bonds of the School District issued for capital expenditures. Interest rates are to be annually determined by the State Administrative Board in accordance with Section 9 of Act No. 92 of the Public Acts of 2005 (the "Act"), as amended. The School Loan Revolving Fund is accessible to school districts for borrowings that were initiated after July 19, 2005. Interest during the year ended June 30, 2022 ranged from 1.19 percent to 3.00 percent. Repayment begins as soon as annual tax collections exceed annual debt service payment requirements. The predetermined mandatory final loan repayment date is May 1, 2032. If the School District fails to levy the appropriate debt mills in accordance with the agreement or defaults in loan repayment, the School District shall increase its debt levy in the next succeeding year, and a default late charge of 3 percent will apply. Due to the variability of the factors that affect the timing of repayment, including the future amount of state-equalized value of property in the School District, no provision for repayment has been included in the above debt maturity schedule. If the School District is in default of the loan agreement, the State of Michigan may withhold state aid funding until repayment terms satisfactory with the State of Michigan have been made. As a result of the issuance of the 2022 Capital Projects Bond, the School District had additions of \$18,144 related to the outstanding School Loan Revolving Fund balance. The remaining outstanding principal and interest balance at June 30, 2022 is \$18,568.

**Note 9 - Financed Purchases**

The School District has entered into four lease agreements as lessee for financing the purchase of copiers and 19 school buses, which contain bargain purchase options at the end of the lease term. These lease agreements qualify as financed purchases for accounting purposes. Total cost basis of \$1,835,508 and accumulated depreciation of \$1,682,491 is included in capital assets at June 30, 2022. The future minimum lease obligations and the net present value are as follows:

Years Ending	Amount
2024	\$ 31,188
2025	31,188
Total	62,376
Less amount representing interest	2,789
Present value	\$ 59,587

**Note 10 - 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 has purchased commercial insurance for potential health claims. The School District participates in the public entity risk pool (self-insurance pool) for claims relating to workers' compensation, property and casualty, general liability, and builder insurance claims through MASB/SET/SEG. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

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

**Note 11 - 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 supplemental information for the pension and postemployment health care plans. That report is available on the web at <http://www.michigan.gov/orsschools>.

***Benefits Provided***

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

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

Depending on the member's date of hire, 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.

**Note 11 - Michigan Public School Employees' Retirement System (Continued)**

**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.

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, 2021 - September 30, 2022	13.73% - 20.14%	7.23% - 8.09%
October 1, 2020 - September 30, 2021	13.39% - 19.78%	7.57% - 8.43%

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, 2022 were \$4,123,136, which include the School District's contributions required for those members with a defined contribution benefit. The School District's required and actual pension contributions include an allocation of \$1,871,888 in revenue received from the State of Michigan and remitted to the System to fund the MPSERS unfunded actuarial accrued liability (UAAL) stabilization rate for the year ended June 30, 2022.

The School District's required and actual OPEB contributions to the plan for the year ended June 30, 2022 were \$974,542, which include the School District's contributions required for those members with a defined contribution benefit.

**Note 11 - Michigan Public School Employees' Retirement System (Continued)**

**Net Pension Liability**

At June 30, 2022, the School District reported a liability of \$28,573,933 for its proportionate share of the net pension liability. The net pension liability was measured as of September 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of September 30, 2020, which used update procedures to roll forward the estimated liability to September 30, 2021. 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, 2021 and 2020, the School District's proportion was 0.12 percent.

**Net OPEB Liability**

At June 30, 2022, the School District reported a liability of \$1,820,545 for its proportionate share of the net OPEB liability. The net OPEB liability for fiscal year 2022 was measured as of September 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of September 30, 2020, which used update procedures to roll forward the estimated liability to September 30, 2021. The School District's proportion of the net OPEB liability 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, 2021 and 2020, the School District's proportion was 0.12 percent.

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

For 2022, the School District recognized pension expense of \$1,947,564, inclusive of payments to fund the MPSERS UAAL stabilization rate. At June 30, 2022, 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	\$ 442,622	\$ (168,266)
Changes in assumptions	1,801,199	-
Net difference between projected and actual earnings on pension plan investments	-	(9,186,428)
Changes in proportion and differences between the School District's contributions and proportionate share of contributions	-	(2,290,156)
The School District's contributions to the plan subsequent to the measurement date	3,522,714	-
Total	\$ 5,766,535	\$ (11,644,850)

The \$1,871,888 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, 2023. 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
2023	\$ (1,908,002)
2024	(2,395,381)
2025	(2,558,086)
2026	(2,539,560)
Total	\$6 (9,401,029)

**June 30, 2022**

**Note 11 - Michigan Public School Employees' Retirement System (Continued)**

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

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

For the year ended June 30, 2022, the School District recognized OPEB recovery of \$1,332,047.

At June 30, 2022, 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	\$ -	\$ (5,196,616)
Changes in assumptions	1,521,885	(227,731)
Net difference between projected and actual earnings on OPEB plan investments	-	(1,372,177)
Changes in proportionate share or difference between amount contributed and proportionate share of contributions	12,776	(894,698)
Employer contributions to the plan subsequent to the measurement date	677,636	-
<b>Total</b>	<b>\$ 2,212,297</b>	<b>\$ (7,691,222)</b>

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 liability and, therefore, will not be included in future OPEB expense):

Years Ending	Amount
2023	\$ (1,686,469)
2024	(1,545,346)
2025	(1,348,009)
2026	(1,134,641)
2027	(390,821)
Thereafter	(51,275)
<b>Total</b>	<b>\$ (6,156,561)</b>

***Actuarial Assumptions***

The total pension liability and total OPEB liability as of September 30, 2021 are based on the results of an actuarial valuation as of September 30, 2020 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% - 6.80%	Net of investment expenses based on the groups
Investment rate of return - OPEB	6.95%	Net of investment expenses based on the groups
Salary increases	2.75% - 11.55%	Including wage inflation of 2.75%
Health care cost trend rate - OPEB	5.25% - 7.75%	(Year 1 graded to 3.5% in year 15, 3.0% in year 120)
Mortality basis		RP-2014 Male and Female Employee Annuitant Mortality tables, scaled 100% (retirees: 82% for males and 78% for females) and adjusted for mortality improvements using projection scale MP-2017 from 2006
	47	
Cost of living pension adjustments	3.00%	Annual noncompounded for MIP members

**Note 11 - Michigan Public School Employees' Retirement System (Continued)**

Assumption changes as a result of an experience study for the periods from 2012 to 2017 have been adopted by the System for use in the annual pension and OPEB valuations beginning with the September 30, 2018 valuation.

Significant assumption changes since the prior measurement date, September 30, 2020, for the OPEB plan include an increase in the health care cost trend rate of 0.75 percentage points for members under 65 and a reduction from 7.0 percent to 5.25 percent for members over 65. There were no significant changes in assumptions for the pension actuarial valuation. There were no significant benefit terms changes for the pension or OPEB plans since the prior measurement date of September 30, 2020.

Significant assumption changes since the measurement date, September 30, 2021, for the pension and OPEB plan include a reduction of both plans' discount rates to 6.0 percent. The change increases the total plan's net pension liability by approximately \$8.1 billion and the total plan's net OPEB liability by approximately \$1.1 billion.

**Discount Rate**

The discount rate used to measure the total pension liability was 6.00 to 6.80 percent as of September 30, 2021 depending on the plan option. The discount rate used to measure the total OPEB liability was 6.95 percent as of September 30, 2021. 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 %	5.40 %
Private equity pools	16.00	9.10
International equity pools	15.00	7.50
Fixed-income pools	10.50	(0.70)
Real estate and infrastructure pools	10.00	5.40
Absolute return pools	9.00	2.60
Real return/opportunistic pools	2.00	(1.30)
Short-term investment pools	12.50	6.10
Total	100.00 %	

June 30, 2022

**Note 11 - Michigan Public School Employees' Retirement System (Continued)**

Long-term rates of return are net of administrative expense and inflation of 2.0 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 - 5.80%)	Current Discount Rate (6.00 - 6.80%)	1 Percentage Point Increase (7.00 - 7.80%)
Net pension liability of the School District	\$ 40,852,976	\$ 28,573,933	\$ 18,393,802

***Sensitivity of the Net OPEB Liability to Changes in the Discount Rate***

The following presents the net OPEB liability of the School District, calculated using the current discount rate. It also reflects what the School District's net OPEB 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 (5.95%)	Current Discount Rate (6.95%)	1 Percentage Point Increase (7.95%)
Net OPEB liability of the School District	\$ 3,382,901	\$ 1,820,545	\$ 494,663

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

The following presents the net OPEB liability of the School District, calculated using the current health care cost trend rate. It also reflects what the School District's net OPEB 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 (6.00%)	Current Rate (7.00%)	1 Percentage Point Increase (8.00%)
Net OPEB liability of the School District	\$ 443,106	\$ 1,820,545	\$ 3,370,329

***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, 2022, the School District reported a payable of \$630,833 and \$120,167 for the outstanding amount of contributions to the pension plan and OPEB plan, respectively, required for the year ended June 30, 2022.

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## Required Supplemental Information

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# Brandon School District

## Required Supplemental Information Budgetary Comparison Schedule General Fund

**Year Ended June 30, 2022**

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
<b>Revenue</b>				
Local sources	\$ 2,977,497	\$ 2,981,738	\$ 2,995,873	\$ 14,135
State sources	18,928,398	21,442,991	21,111,846	(331,145)
Federal sources	2,784,324	3,138,797	2,929,024	(209,773)
Interdistrict sources	1,351,137	1,413,748	1,413,748	-
Total revenue	26,041,356	28,977,274	28,450,491	(526,783)
<b>Expenditures</b>				
Current:				
Instruction:				
Basic programs	12,059,470	12,630,340	12,518,770	(111,570)
Added needs	2,646,914	3,055,456	2,739,728	(315,728)
Support services:				
Pupil	1,307,514	1,829,416	1,685,315	(144,101)
Instructional staff	1,042,703	1,004,151	944,276	(59,875)
General administration	480,769	423,313	418,107	(5,206)
School administration	1,313,570	1,360,587	1,357,667	(2,920)
Business	539,633	577,309	595,218	17,909
Operations and maintenance	2,686,917	2,770,325	2,769,867	(458)
Pupil transportation services	1,504,854	1,641,863	1,644,372	2,509
Central	861,523	1,614,056	1,563,421	(50,635)
Student activities	44,367	64,558	66,267	1,709
Athletics	646,129	605,499	609,653	4,154
Community services	125,062	218,445	234,723	16,278
Debt service	481,931	491,585	467,192	(24,393)
Interdistrict payments	380,000	300,000	319,243	19,243
Total expenditures	26,121,356	28,586,903	27,933,819	(653,084)
<b>Excess of Revenue (Under) Over Expenditures</b>	(80,000)	390,371	516,672	126,301
<b>Other Financing Sources (Uses)</b>				
Transfers in	88,000	80,000	80,000	-
Transfers out	(60,527)	(470,371)	(521,550)	(51,179)
Total other financing sources (uses)	27,473	(390,371)	(441,550)	(51,179)
<b>Net Change in Fund Balance</b>	(52,527)	-	75,122	75,122
<b>Fund Balance - Beginning of year</b>	4,124,117	4,124,117	4,124,117	-
<b>Fund Balance - End of year</b>	<u>\$ 4,071,590</u>	<u>\$ 4,124,117</u>	<u>\$ 4,199,239</u>	<u>\$ 75,122</u>

## Brandon School District

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

	<b>Last Eight Plan Years</b>							
	<b>Plan Years Ended September 30</b>							
	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.12069 %	0.12256 %	0.12914 %	0.13797 %	0.14020 %	0.14291 %	0.14862 %	0.14812 %
School District's proportionate share of the net pension liability	\$ 28,573,933	\$ 42,101,071	\$ 42,767,780	\$ 41,476,405	\$ 36,331,630	\$ 35,655,534	\$ 36,299,581	\$ 32,625,155
School District's covered payroll	\$ 10,751,389	\$ 10,711,394	\$ 10,842,497	\$ 11,576,919	\$ 11,708,788	\$ 11,236,108	\$ 11,683,390	\$ 12,069,233
School District's proportionate share of the net pension liability as a percentage of its covered payroll	265.77 %	393.05 %	394.45 %	358.27 %	310.29 %	317.33 %	310.69 %	270.32 %
Plan fiduciary net position as a percentage of total pension liability	72.32 %	59.49 %	62.12 %	62.12 %	63.96 %	63.01 %	62.92 %	66.15 %

52

**Brandon School District**

Required Supplemental Information  
 Schedule of the School District's Pension Contributions  
 Michigan Public School Employees' Retirement System

	<b>Last Eight Fiscal Years Years Ended June 30</b>							
	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 4,062,887	\$ 3,613,832	\$ 3,403,992	\$ 3,449,655	\$ 3,543,775	\$ 3,174,425	\$ 3,216,842	\$ 2,381,567
Contributions in relation to the statutorily required contribution	4,062,887	3,613,832	3,403,992	3,449,655	3,543,775	3,174,425	3,216,842	2,381,567
<b>Contribution Deficiency</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>School District's Covered Payroll</b>	<b>\$ 11,288,281</b>	<b>\$ 10,719,420</b>	<b>\$ 10,753,692</b>	<b>\$ 10,807,632</b>	<b>\$ 11,655,655</b>	<b>\$ 11,081,715</b>	<b>\$ 11,218,750</b>	<b>\$ 11,962,415</b>
<b>Contributions as a Percentage of Covered Payroll</b>	35.99 %	33.71 %	31.65 %	31.92 %	30.40 %	28.65 %	28.67 %	19.91 % <sup>53</sup>

## Brandon School District

### Required Supplemental Information Schedule of the School District's Proportionate Share of the Net OPEB Liability Michigan Public School Employees' Retirement System

	<b>Last Five Plan Years</b>				
	<b>Plan Years Ended September 30</b>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
School District's proportion of the net OPEB liability	0.11927 %	0.12091 %	0.12406 %	0.13606 %	0.13999 %
School District's proportionate share of the net OPEB liability	\$ 1,820,545	\$ 6,477,550	\$ 8,904,976	\$ 10,815,542	\$ 12,396,598
School District's covered payroll	\$ 10,751,389	\$ 10,711,394	\$ 10,842,497	\$ 11,576,919	\$ 11,708,788
School District's proportionate share of the net OPEB liability as a percentage of its covered payroll	16.93 %	60.47 %	82.13 %	93.42 %	105.87 %
Plan fiduciary net position as a percentage of total OPEB liability	88.87 %	59.76 %	48.67 %	43.10 %	36.53 % <sup>54</sup>

**Brandon School District**

Required Supplemental Information  
Schedule of the School District's OPEB Contributions  
Michigan Public School Employees' Retirement System

	<b>Last Five Fiscal Years</b>				
	<b>Years Ended June 30</b>				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Statutorily required contribution	\$ 913,109	\$ 886,228	\$ 864,124	\$ 848,942	\$ 841,856
Contributions in relation to the statutorily required contribution	<u>913,109</u>	<u>886,228</u>	<u>864,124</u>	<u>848,942</u>	<u>841,856</u>
<b>Contribution Deficiency</b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>
<b>School District's Covered Payroll</b>	\$ 11,288,281	\$ 10,719,420	\$ 10,753,692	\$ 10,807,632	\$ 11,655,655
<b>Contributions as a Percentage of Covered Payroll</b>	8.09 %	8.27 %	8.04 %	7.86 %	7.22 %

***Pension Information***

Ultimately, 10 years of data will be presented in both of the pension-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:

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:

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 the periods from 2012 to 2017. This resulted in lower than projected per person health benefit costs to reduce the plan's total OPEB liability by an additional \$1.4 billion in 2019.

2018 - The discount rate used in the September 30, 2017 actuarial valuation decreased by 0.35 percentage points. The valuation also includes the impact of an updated experience study for the periods from 2012 to 2017. This resulted in lower than projected per person health benefit costs to reduce the plan's total OPEB liability by \$1.4 billion in 2018.

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## Other Supplemental Information

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Other Supplemental Information  
Combining Balance Sheet  
Nonmajor Governmental Funds

June 30, 2022

	Special Revenue Funds			Debt Service Funds					Capital Projects Funds			Total	
	Childcare	Food Service	Student Activities	2021 Refunding	2019 Refunding	2019 Energy Bond	2019 Installment Purchase Agreement	2018 Debt Refunding	2016 Refunding Bond	Total Debt Service Funds	2019 Energy Bond Capital Projects		2017 Capital Projects Improvement
<b>Assets</b>													
Cash and investments	\$ 237,983	\$ 584,235	\$ 457,168	\$ -	\$ -	\$ 728,484	\$ 1,006,346	\$ -	\$ -	\$ 1,734,830	\$ -	\$ -	\$ 3,014,216
Receivables:													
Other receivables	3,685	659	195	-	-	-	-	-	-	-	-	-	4,539
Due from other governments	-	116,554	-	-	-	-	-	-	-	-	-	-	116,554
Inventories	-	18,422	-	-	-	-	-	-	-	-	-	-	18,422
Restricted cash and investments	-	-	-	84,920	19,647	-	-	41,309	93,104	238,980	42,637	357,713	639,330
<b>Total assets</b>	<b>\$ 241,668</b>	<b>\$ 719,870</b>	<b>\$ 457,363</b>	<b>\$ 84,920</b>	<b>\$ 19,647</b>	<b>\$ 728,484</b>	<b>\$ 1,006,346</b>	<b>\$ 41,309</b>	<b>\$ 93,104</b>	<b>\$ 1,973,810</b>	<b>\$ 42,637</b>	<b>\$ 357,713</b>	<b>\$ 3,793,061</b>
<b>Liabilities</b>													
Accounts payable	\$ -	\$ 68	\$ 702	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,871	\$ -	\$ 18,641
Accrued liabilities and other	32,612	3,475	-	-	-	-	-	-	-	-	-	-	36,087
Unearned revenue	1,500	56,198	-	-	-	-	-	-	-	-	-	-	57,698
<b>Total liabilities</b>	<b>34,112</b>	<b>59,741</b>	<b>702</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,871</b>	<b>-</b>	<b>112,426</b>
<b>Fund Balances</b>													
Nonspendable	-	18,422	-	-	-	-	-	-	-	-	-	-	18,422
Restricted:													
Debt service	-	-	-	84,920	19,647	-	-	41,309	93,104	238,980	-	-	238,980
Capital projects	-	-	-	-	-	-	-	-	-	-	24,766	357,713	382,479
Food service	-	641,707	-	-	-	-	-	-	-	-	-	-	641,707
Committed:													
Childcare Fund	207,556	-	-	-	-	-	-	-	-	-	-	-	207,556
Debt service	-	-	-	-	-	728,484	1,006,346	-	-	1,734,830	-	-	1,734,830
Student activities	-	-	456,661	-	-	-	-	-	-	-	-	-	456,661
<b>Total fund balances</b>	<b>207,556</b>	<b>660,129</b>	<b>456,661</b>	<b>84,920</b>	<b>19,647</b>	<b>728,484</b>	<b>1,006,346</b>	<b>41,309</b>	<b>93,104</b>	<b>1,973,810</b>	<b>24,766</b>	<b>357,713</b>	<b>3,680,635</b>
<b>Total liabilities and fund balances</b>	<b>\$ 241,668</b>	<b>\$ 719,870</b>	<b>\$ 457,363</b>	<b>\$ 84,920</b>	<b>\$ 19,647</b>	<b>\$ 728,484</b>	<b>\$ 1,006,346</b>	<b>\$ 41,309</b>	<b>\$ 93,104</b>	<b>\$ 1,973,810</b>	<b>\$ 42,637</b>	<b>\$ 357,713</b>	<b>\$ 3,793,061</b>

# Brandon School District

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

**Year Ended June 30, 2022**

	Special Revenue Funds			Debt Service Funds					Capital Projects Funds			Total
	Childcare	Food Service	Student Activities	2021 Refunding	2019 Refunding	2019 Energy Bond	2019 Installment Purchase Agreement	2018 Debt Refunding	2016 Refunding Bond	2019 Energy Bond Capital Projects	2017 Capital Projects Improvement	
<b>Revenue</b>												
Local sources	\$ 302,015	\$ 141,137	\$ 483,158	\$ 3,373,943	\$ 583,266	\$ -	\$ -	\$ 1,650,215	\$ 3,044,371	\$ 71	\$ -	\$ 9,578,176
State sources	22,400	127,399	-	-	-	-	-	-	-	-	-	149,799
Federal sources	255,455	1,206,501	-	-	-	-	-	-	-	-	-	1,461,956
<b>Total revenue</b>	<b>579,870</b>	<b>1,475,037</b>	<b>483,158</b>	<b>3,373,943</b>	<b>583,266</b>	<b>-</b>	<b>-</b>	<b>1,650,215</b>	<b>3,044,371</b>	<b>71</b>	<b>-</b>	<b>11,189,931</b>
<b>Expenditures</b>												
Current:												
Instruction	16,385	-	-	-	-	-	-	-	-	-	-	16,385
Support services	26,090	-	434,315	-	-	-	-	-	-	-	-	460,405
Food services	-	1,087,854	-	-	-	-	-	-	-	-	-	1,087,854
Community services	346,050	-	-	-	-	-	-	-	-	-	-	346,050
Debt service:												
Principal	-	-	-	2,610,000	-	-	-	1,365,000	2,505,000	-	-	6,480,000
Interest	-	-	-	691,812	616,531	-	-	270,850	499,500	-	-	2,078,693
Other	-	-	-	499	501	-	-	1,250	499	-	-	2,749
Capital outlay	22,992	68,289	-	-	-	-	-	-	-	17,871	82,562	191,714
<b>Total expenditures</b>	<b>411,517</b>	<b>1,156,143</b>	<b>434,315</b>	<b>3,302,311</b>	<b>617,032</b>	<b>-</b>	<b>-</b>	<b>1,637,100</b>	<b>3,004,999</b>	<b>17,871</b>	<b>82,562</b>	<b>10,663,850</b>
<b>Excess of Revenue Over (Under) Expenditures</b>	<b>168,353</b>	<b>318,894</b>	<b>48,843</b>	<b>71,632</b>	<b>(33,766)</b>	<b>-</b>	<b>-</b>	<b>13,115</b>	<b>39,372</b>	<b>(17,800)</b>	<b>(82,562)</b>	<b>526,081</b>
<b>Other Financing Sources (Uses)</b>												
School Loan Revolving Fund proceeds	-	-	-	13,288	-	-	-	4,803	-	-	-	18,091
Transfers in	-	-	-	-	-	200,000	321,550	-	-	-	-	521,550
Transfers out	-	(80,000)	-	-	-	-	-	-	-	-	-	(80,000)
<b>Total other financing (used) sources</b>	<b>-</b>	<b>(80,000)</b>	<b>-</b>	<b>13,288</b>	<b>-</b>	<b>200,000</b>	<b>321,550</b>	<b>4,803</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>459,641</b>
<b>Net Change in Fund Balances</b>	<b>168,353</b>	<b>238,894</b>	<b>48,843</b>	<b>84,920</b>	<b>(33,766)</b>	<b>200,000</b>	<b>321,550</b>	<b>17,918</b>	<b>39,372</b>	<b>(17,800)</b>	<b>(82,562)</b>	<b>985,722</b>
<b>Fund Balances - Beginning of year</b>	<b>39,203</b>	<b>421,235</b>	<b>407,818</b>	<b>-</b>	<b>53,413</b>	<b>528,484</b>	<b>684,796</b>	<b>23,391</b>	<b>53,732</b>	<b>42,566</b>	<b>440,275</b>	<b>2,694,913</b>
<b>Fund Balances - End of year</b>	<b>\$ 207,556</b>	<b>\$ 660,129</b>	<b>\$ 456,661</b>	<b>\$ 84,920</b>	<b>\$ 19,647</b>	<b>\$ 728,484</b>	<b>\$ 1,006,346</b>	<b>\$ 41,309</b>	<b>\$ 93,104</b>	<b>\$ 24,766</b>	<b>\$ 357,713</b>	<b>\$ 3,680,635</b>

# Brandon School District

## Other Supplemental Information Schedule of Bonded Indebtedness

June 30, 2022

Years Ending June 30	2016	2018	2019	2019	2021	2022 Capital	Total
	Refunding	Refunding	Energy Bond	Refunding	Refunding	Projects	
	Principal	Principal	Principal	Principal	Principal	Principal	
2023	\$ 2,500,000	\$ 1,355,000	\$ 125,000	\$ -	\$ 3,125,000	\$ -	\$ 7,105,000
2024	2,495,000	1,340,000	130,000	-	3,700,000	400,000	8,065,000
2025	2,490,000	1,295,000	135,000	-	4,305,000	400,000	8,625,000
2026	-	1,250,000	140,000	3,680,000	3,485,000	400,000	8,955,000
2027	-	-	145,000	5,190,000	3,645,000	400,000	9,380,000
2028	-	-	150,000	5,420,000	3,825,000	410,000	9,805,000
2029	-	-	155,000	5,660,000	4,015,000	410,000	10,240,000
2030	-	-	160,000	5,910,000	4,220,000	410,000	10,700,000
2031	-	-	165,000	-	5,000,000	420,000	5,585,000
2032	-	-	170,000	-	2,635,000	460,000	3,265,000
2033	-	-	180,000	-	2,570,000	600,000	3,350,000
2034	-	-	-	-	2,515,000	735,000	3,250,000
2035	-	-	-	-	2,455,000	880,000	3,335,000
2036	-	-	-	-	2,415,000	1,010,000	3,425,000
2037	-	-	-	-	-	2,105,000	2,105,000
2038	-	-	-	-	-	2,190,000	2,190,000
2039	-	-	-	-	-	2,275,000	2,275,000
2040	-	-	-	-	-	2,370,000	2,370,000
2041	-	-	-	-	-	2,460,000	2,460,000
<b>Total remaining payments</b>	<b>\$ 7,485,000</b>	<b>\$ 5,240,000</b>	<b>\$ 1,655,000</b>	<b>\$ 25,860,000</b>	<b>\$ 47,910,000</b>	<b>\$ 18,335,000</b>	<b>\$ 106,485,000</b>
Interest rate	5.00%	2.50% to 5.00%	3.00% to 3.75%	2.28% to 2.47%	0.32% to 2.43%	4.00%	
Original issue	<b>\$ 46,220,000</b>	<b>\$ 10,225,000</b>	<b>\$ 2,000,000</b>	<b>\$ 25,860,000</b>	<b>\$ 50,520,000</b>	<b>\$ 18,335,000</b>	<b>\$ 153,160,000</b>

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



# Brandon School District

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1025 South Ortonville Road, Ortonville, Michigan 48462  
(248) 627-1802 • FAX (248) 627-4533  
[www.brandonschooldistrict.org](http://www.brandonschooldistrict.org)

Daniel Gilbertson  
Superintendent of Schools  
[dgilbertson@brandon.k12.mi.us](mailto:dgilbertson@brandon.k12.mi.us)

October 17, 2022

Brandon Board of Education Regular Meeting – 6:30 p.m.

Resolution for Technical Corrections to Board Policies

**Whereas**, the Board in accordance with Policy 0131.1 approve the following technical corrections to those Board Policies listed below to update the named individuals in these Board Policies:

*Policy 1422 – Administration – Nondiscrimination and Equal Employment Opportunity*

Carly Stone, Executive Director of Curriculum/Instruction replacing former employee Diane Zedan;

*Policy 1623 – Administration – Section 504/ADA Prohibition Against Disability Discrimination in Employment*

Dr. Jessica Cohen, Director of Special Education replacing former employee Diane Zedan;

*Policy 1662 – Administration – Anti-Harassment*

Carly Stone, Executive Director of Curriculum/Instruction replacing former employee Janet McLeod;

*Policy 2260 – Nondiscrimination and Access to Equal Educational Opportunity*

Carly Stone, Executive Director of Curriculum/Instruction replacing former employee Diane Zedan;

*Policy 3122 – Section Professional Staff – Nondiscrimination and Equal Employment Opportunity*

Carly Stone, Executive Director of Curriculum/Instruction replacing former employee Diane Zedan;

*Policy 3123 – Section Professional Staff – Section 504/ADA Prohibition Against Disability Discrimination in Employment*

Dr. Jessica Cohen, Director of Special Education replacing former employee Diane Zedan;

*Policy 4122 – Support Staff – Nondiscrimination and Equal Employment Opportunity*

Carly Stone, Executive Director of Curriculum/Instruction replacing former employee Janet McLeod;

*Policy 4123 – Support Staff – Section 504/ADA Prohibition Against Disability Discrimination in Employment*

Dr. Jessica Cohen, Director of Special Education replacing former employee Diane Zedan;

*Policy 4362 – Support Staff – Anti Harassment*

Carly Stone, Executive Director of Curriculum/Instruction replacing former employee Diane Zedan;

*Policy 5517 – Students – Anti-Harassment*

Carly Stone, Executive Director of Curriculum/Instruction replacing former employee Diane Zedan;

*AG9160C – Section 504/ADA – Complaint Procedures Related to Accessibility of District Facilities*

Dr. Jessica Cohen, Director of Special Education replacing Director of Human Resources.

**May it be resolved** that the Brandon Board of Education adopt the Resolution.



# Brandon School District

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Daniel E. Gilbertson  
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[DGilbertson@brandon.k12.mi.us](mailto:DGilbertson@brandon.k12.mi.us)

## BRANDON BOARD OF EDUCATION MEETING

October 17, 2022

### Human Resource Report

#### ***Professional New Hires:***

None to report

#### ***Transfers:***

None to report

#### ***Retirement:***

Pauline Bandlow, Science/STEM, BHS, effective 09/23/2022

#### ***Resignation:***

Bethany Taylor, Math, BHS, effective 09/26/2022