

<u>Board of Education</u> Tom Buffett President, 2025-2026	<b>Okemos Public Schools</b> <a href="mailto:board@okemosk12.net">board@okemosk12.net</a> <a href="http://okemosk12.net">http://okemosk12.net</a>	4406 Okemos Road Okemos, Michigan 48864 Phone: 517-706-5010
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*This agenda is for general informational purposes only. Based on board policy, the board of education may revise this agenda and may take up other issues at the meeting.*

**7:00 PM**

**MEETING AGENDA  
Monday, October 13, 2025**

**Community Conference Rm**

**CALL TO ORDER**

Tom Buffett, Jason Burns, Katie Cavanaugh, Shulawn Doxie, Andrew Phelps, Leeni Shrestha and Jillian Winn

**WELCOME AND MEETING FORMAT (2 Min)**

Welcome to this regular meeting of the Okemos Board of Education held in public for the purpose of conducting the business of the school board.

There are two opportunities for public comment: Citizens who wish to address agenda or non-agenda items will have an opportunity at the beginning of the meeting, as well as near the end of the meeting. In-person individuals who wish to address the board must complete a blue form, located with the agendas near the room entrance, and present it to the board’s secretary prior to the start of the agenda item. Virtual participants must submit their name and address in a message through the chat box located in Zoom’s meeting controls prior to the start of the agenda item.

At the appropriate point in the agenda, the board president will call upon individuals who have submitted a blue card or chat message and that individual’s microphone will be un-muted for their comments.

**Mission Minute/Around The Pack (5 Min)**

An opportunity for individual board members to highlight events, activities, and other items of interest.

**PRESENTATION: Bond Construction Update (10 Min)**

Representatives from Veridas, TowerPinkster and Christman will provide a construction update regarding the 2022 bond, including bid packages #3, 4, 8, energy savings and new High School athletics projects.

**DISCUSSION MOVED FORWARD: Kinawa Remediation Update (15 Min)**

Operations Director Brian Lieber will provide an update regarding Kinawa remediation efforts, including budget, and timelines. The board will discuss approving the next phase of the project and its associated cost.

**Adequate Information to Proceed**

Board policy 2503A Adequate Information to Proceed indicates that it is the policy of the board not to take action on an item the first time it is brought to the attention of the board at a public meeting.

That the board waive policy 2503A requirements and take action on whether to approve phase two of the Kinawa remediation project.

**CITIZENS ADDRESS AGENDA AND NON-AGENDA ITEMS**

At this time in the meeting, citizens have an opportunity to address the board regarding items of interest that that may or may not be part of the evening’s agenda. Citizens are required to limit comments to three minutes, except when this requirement is waived by the board president during the meeting. A designated timekeeper will communicate to the individual who is addressing the board at three minutes. The board highly values public comment and input; however, the board meeting format is designed to facilitate the evening’s agenda and, therefore, restricts board members from engaging in conversation with speakers or immediately responding to questions. Questions and concerns may be addressed by the board later in the agenda and may be assigned for follow-up by the board or superintendent at a later date.

**HIGH SCHOOL STUDENT REPORTS/REQUESTS (5 Min)**

The high school student representative will highlight events and issues of interest and take questions from the board.

### **SUPERINTENDENT REPORTS/REQUESTS (10 Min)**

The superintendent will highlight events and issues of interest and take questions from the board.

### **BOARD REPORTS/REQUESTS (10 Min)**

The board will acknowledge receipt of correspondence.

Individual board members may request follow-up on other matters of concern.

Board sub-committees may present their reports or deliver updates.

### **ACTION ITEMS**

Within Action Items, there is a Consent Agenda to expedite the business of the board which groups a number of items together to be dealt with by one action of the board. However, items in the consent agenda may be extracted by individual board member request for further discussion or clarification.

### **CONSENT AGENDA (5 Min)**

*In an effort to expedite the business of the board of education, but in no way meant to diminish the importance of each item, a Consent Agenda has been developed.*

That the board approve items 1 through 5 for immediate implementation and appropriate action.

Item 1: Approval of the Minutes of the Regular Meeting of September 22, 2025; Item 2: Approval of the Minutes of the Executive Session Meeting of September 22, 2025; Item 3: Approval of the Minutes of the Special Meeting of September 29, 2025; Item 4: Approval of the Minutes of the Executive Session Meeting of September 29, 2025; and Item 5: Acknowledge receipt of the September financial statement and approve payment of bills for September.

### **OTHER ACTION ITEMS**

The Other Action Items require additional discussion prior to board action.

### **Audit Report**

Each year, the board of education employs an auditing firm to audit the district's financial records. Mr. Steve Piesko of Maner & Costerisan P.C. presented the 2024-2025 audit report to the board during its meeting on September 22, 2025.

That the board accept the audit report of Maner & Costerisan P.C. for the 2024-2025 school year.

### **Issuance and Sale of Bonds Resolution**

On November 8, 2022 voters approved the ability for Okemos Public Schools to borrow up to \$275,000,000 by issuing general obligation unlimited tax bonds. The district will be issuing the bonds in four series over the next seven years.

That the board waive the reading and adopt the resolution authorizing the issuance and delegating the sale of the third series of Okemos Public Schools 2022 Bonds, approved by the voters at the November 8, 2022 election (Roll Call).

### **Level 3 Individual Grievance Request**

The board will determine whether or not to waive the Level 3 hearing for grievances that have been brought or will be brought in the future by individual bargaining unit members and the Okemos Education Association regarding an alleged violation of Article 3 of the Collective Bargaining Agreement and a June 2024 Letter of Agreement.

That the Board waive the Level 3 hearing for grievances that have been brought or will be brought in the future by individual bargaining unit members and the Okemos Education Association alleging a violation of Article 3 of the Collective Bargaining Agreement and the June 2024 Letter of Agreement. Grievance 01-25-26 will be heard on October 14, 2025.

### **Kinawa Phase 2 Remediation**

The board discussed the 2nd phase of the Kinawa remediation project earlier in the meeting.

That the board approve the 2nd phase of the Kinawa remediation project.

**WORK SESSION: Strategic Planning - Monitoring Impact (60 Min)**

The board will engage in a work session for the purpose of discussing data and timelines for monitoring the Strategic Plan. A data dashboard will also be presented.

**COMMENTS FROM THE PUBLIC**

At this time in the meeting, citizens have an opportunity to address the board regarding any item(s) of interest. Individual comments at this time will be limited to three minutes but may be extended at the discretion of the board president. A designated timekeeper will communicate to the individual who is addressing the board at three minutes. The board highly values public comment; however, our meeting format does not allow the board to engage in conversation with speakers. Questions or concerns may be assigned for follow-up by the board or the administration at a later date.

**OTHER MATTERS (5 Min)**

**ADJOURN**

# OKEMOS PUBLIC SCHOOLS

## 2022 Bond Program Update

October 13, 2025

TowerPinkster  
Architecture · Engineering · Interiors

**CHRISTMAN**  
BUILDING SINCE 1894

 **VERIDUS**  
GROUP



## Agenda

- Introductions
- Construction Updates
  - BP3 - NEW CMS
  - BP8 - OHS Music
  - Energy Savings Project
- NEW HS Athletics Design Update
- Future Bond Updates





## Veridus Group

- Allison Duncan - Project Executive

## Tower Pinkster

- Ed Talaga - Project Manager

## The Christman Company

- Shane Lounsberry - Project Manager



BOARD OF EDUCATION

INFORMATIONAL UPDATES

- Bond Draw Schedule
- Design Milestone Updates
- Bid Results
- Construction Updates
- Communication Plans

BOARD ACTIONS

- District Guiding Principles
- 2022 Bond Program
- Permit & Inspection Services
- Bond Sales, 4 Series
- Approve Bids > \$29,000



# Chippewa Middle School - Classroom Wings and Track





# Chippewa Middle School - New Cafeteria and Media Center





# Chippewa Middle School - New Gym





# Chippewa Middle School - Auditorium





## High School - Music Interior Improvements





## High School - Bathrooms





## High School - Music Addition



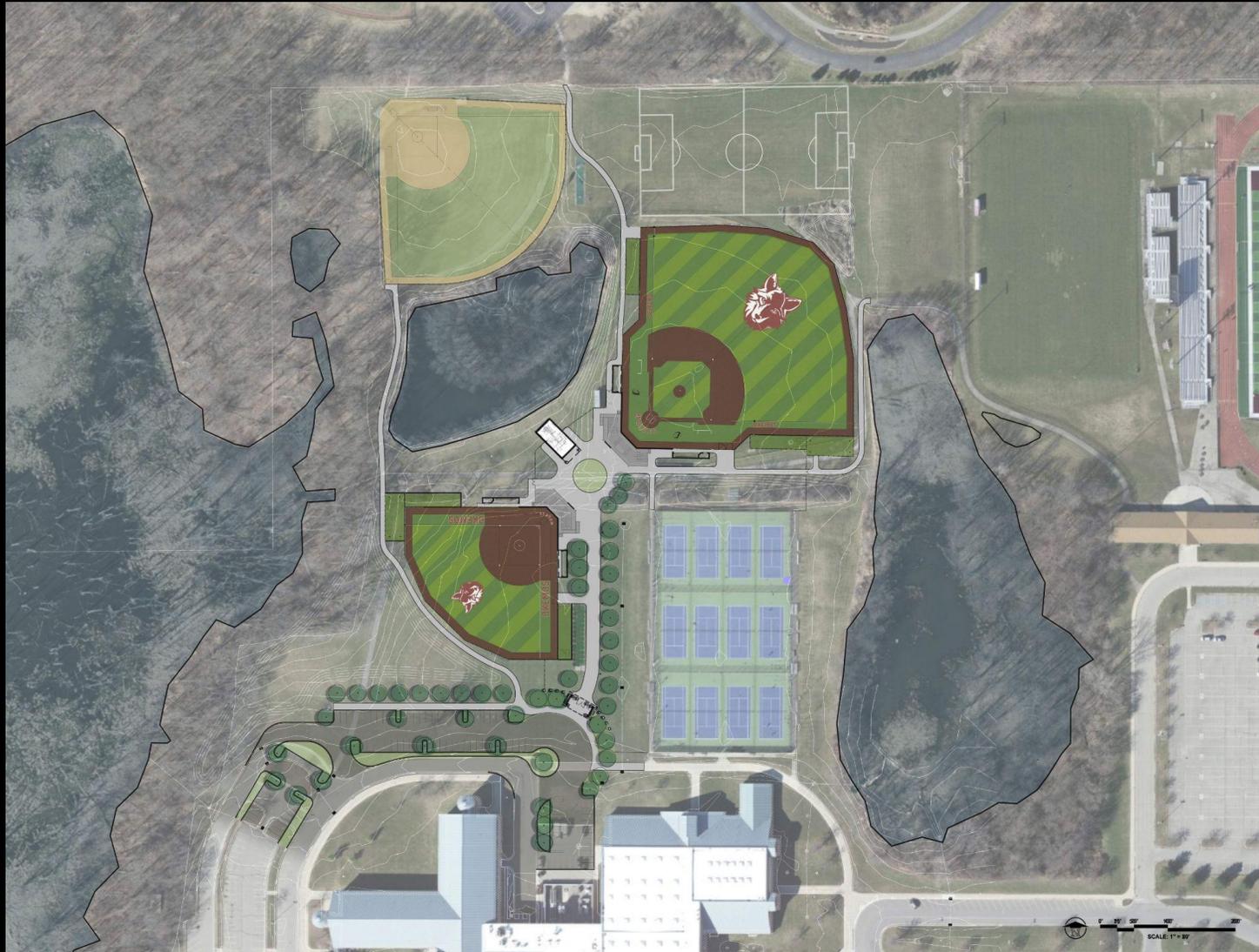


## Energy Savings Project - Current Status

- Bennett Woods new rooftop units installed and operational
- Kinawa Middle School
  - Humidity sensors installed and online
  - Valve replacement is ongoing through Q1 2026
- Okemos High School
  - Gymnasium HVAC improvements - September thru December
  - Valve replacement throughout building is ongoing



# OVERALL SITE & MASTER PLAN



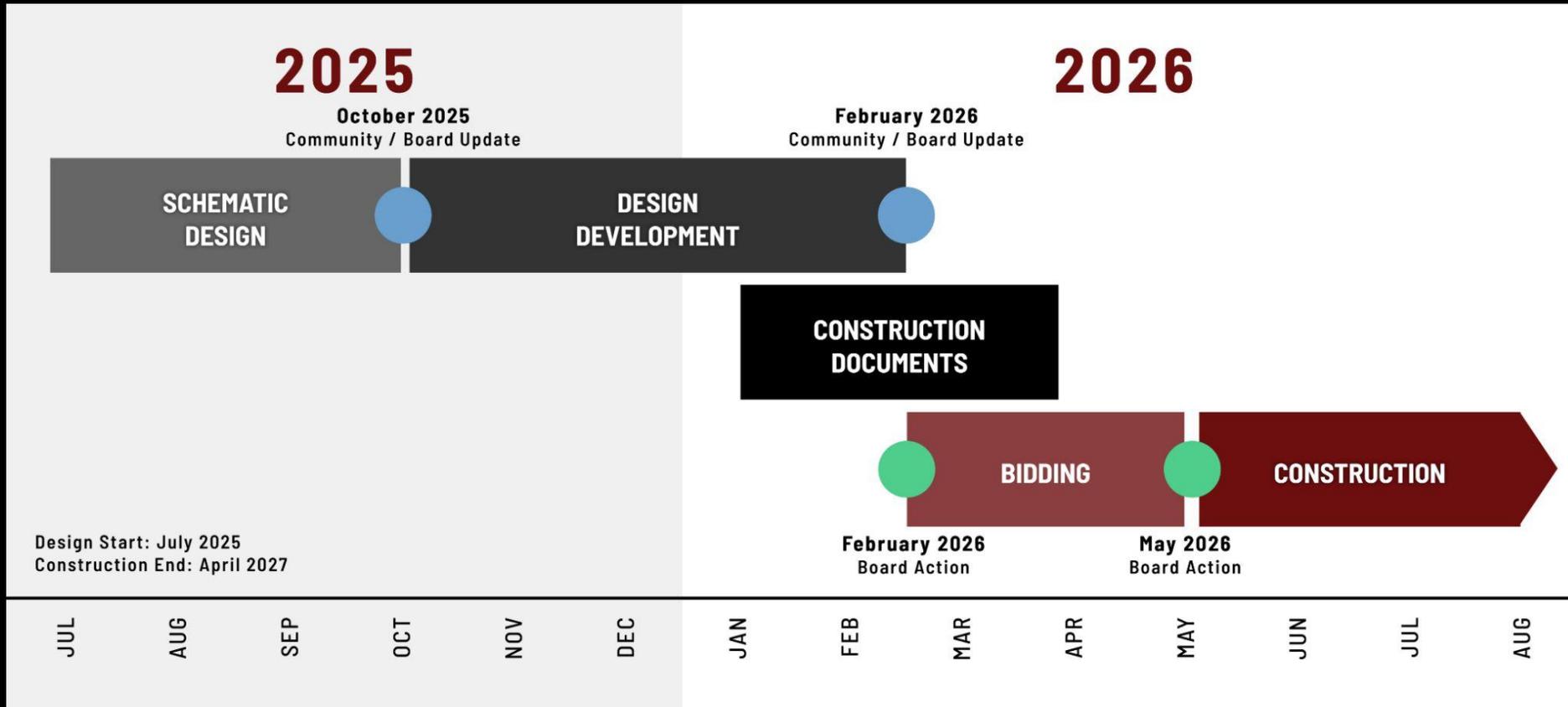


## HS Athletics Baseball/Softball Complex Design Principles: Critical Success Factors

- Maintain Current Location / Keep on campus
- Improved Turf and Drainage Solutions
- Increase Access for Practice and Game Schedules
- Dugouts, Storage, Bullpens and Batting Cages
- Accessible Site and Restrooms
- Bleachers and Press Box
- Increase Parking and Entry Plaza

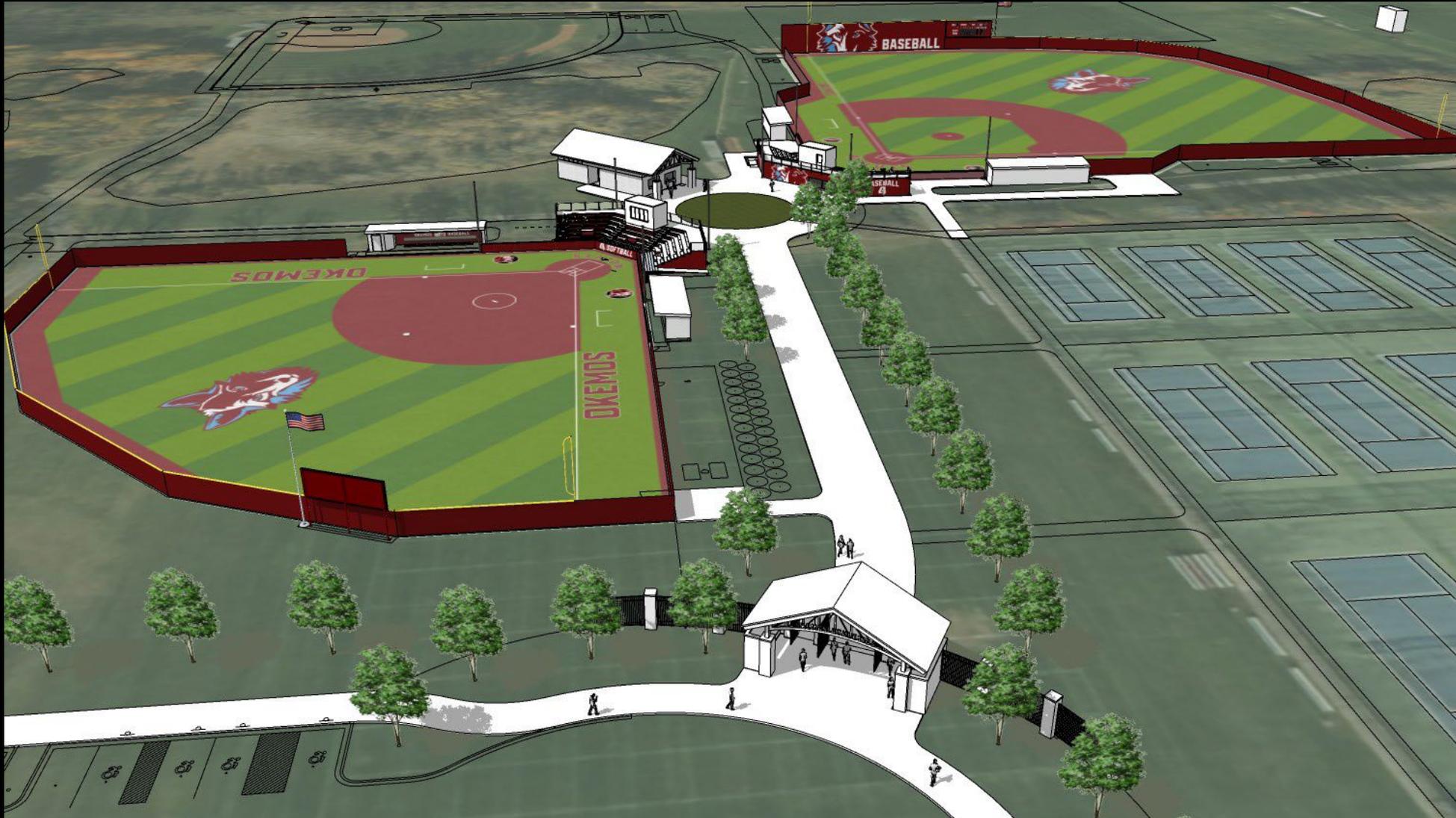


# Bid Package 5: NEW HS Athletics - Baseball/Softball Complex



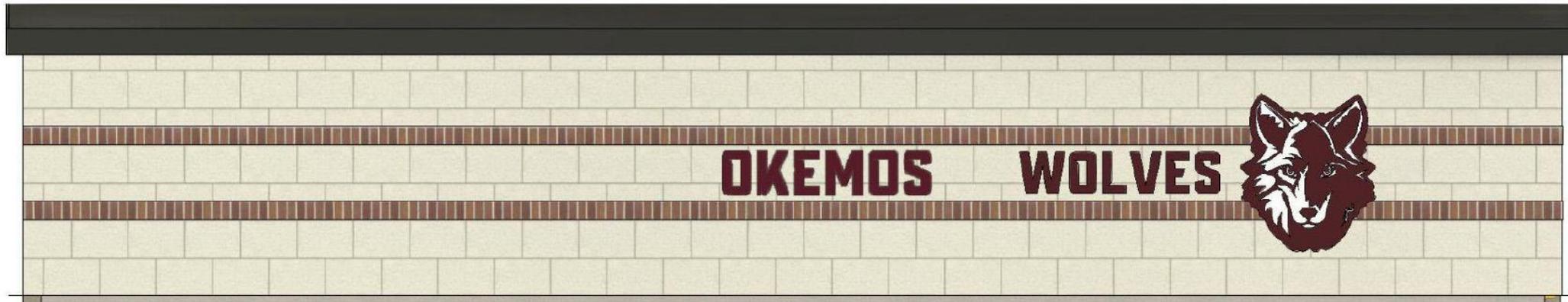


# HS ATHLETICS - BASEBALL/SOFTBALL COMPLEX



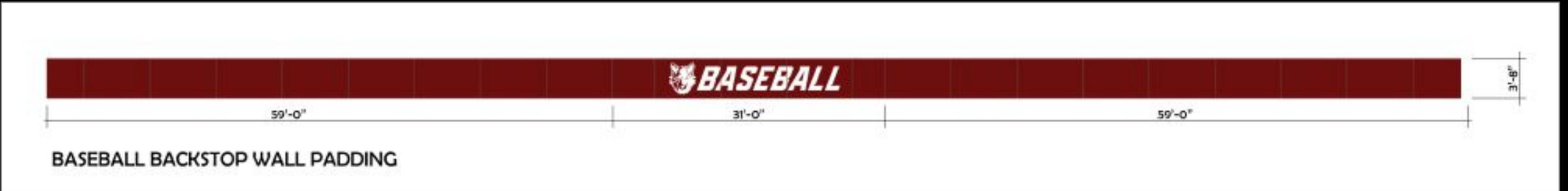
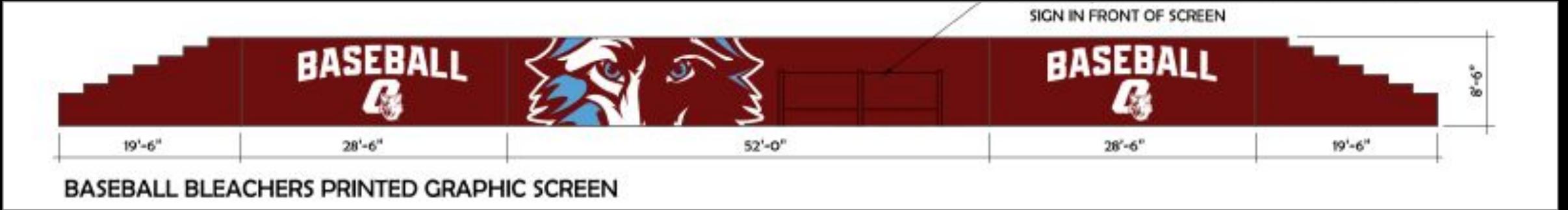


# HS ATHLETICS - BASEBALL/SOFTBALL COMPLEX





# HS ATHLETICS - BASEBALL/SOFTBALL COMPLEX



DRAFT



# HS ATHLETICS - BASEBALL/SOFTBALL COMPLEX





# 2025/26 BOE Bond Update Tentative Schedule

Date	Bid Package	BOE Agenda
11/24/25	New Furniture - OPM, BW, HIA, CMS,	Quote Review
12/8/25	New Furniture - OPM, BW, HIA	Quote Approval - BOARD ACTION
1/12/26	BP7 New Cornell	Bid Results Review
1/26/26	BP7 New Cornell	Bid Approval - BOARD ACTION
	BP5 HS Athletics Baseball/Softball	Design Update
	Bond Overview Update	Bond Overview & Community Impact Update
3/9/25	BP5 HS Athletics Baseball/Softball	Bid Results Review
3/23/25	BP5 HS Athletics Baseball/Softball	Bid Approval - BOARD ACTION



OKEMOS PUBLIC SCHOOLS

# BOND CONSTRUCTION AT A GLANCE

## NEW CHIPPEWA MIDDLE SCHOOL

Construction begins: **Summer 2024**  
Construction complete: **Summer 2026**  
Chippewa students start in new school: **August 2026**



## TEMPORARY CORNELL ELEMENTARY

Students/Staff relocate to existing Chippewa Middle School:  
**Summer 2026**

## NEW CORNELL ELEMENTARY

Demolish existing Cornell: **Summer 2026**  
Construction complete: **Summer 2028**  
Cornell students start in new school: **August 2028**



## NEW KINAWA MIDDLE SCHOOL

Demolish existing Chippewa: **Summer 2028**  
Construction Complete: **Summer 2030**  
Kinawa students start in new school: **August 2030**

STAY UP TO DATE WITH CONSTRUCTION PROJECTS AT [OKEMOSBOND.NET](http://OKEMOSBOND.NET)

# BOND MILESTONE DATES

## 2022 BOND PROGRAM UPDATES

[okemosbond.net](http://okemosbond.net)



QUESTIONS

# QUESTIONS

**OKEMOS PUBLIC SCHOOLS**  
**REPORT ON FINANCIAL STATEMENTS**  
**(with required and additional  
supplementary information)**  
**YEAR ENDED JUNE 30, 2025**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Education  
Okemos Public Schools

### ***Opinions***

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

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

### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Okemos Public Schools 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.

### ***Change in Accounting Principle***

As discussed in Note 13 to the financial statements, the District adopted GASB Statement No. 101, *Compensated Absences*. Our opinions are not modified with respect to this matter.

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### ***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 Okemos Public Schools' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Okemos Public Schools' 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 Okemos Public Schools' 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.

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### ***Required Supplementary Information***

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Okemos Public Schools' basic financial statements. The accompanying additional supplementary information, as identified in the table of contents, including the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the additional supplementary information, including the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated September 9, 2025 on our consideration of Okemos Public Schools' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Okemos Public Schools' 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 Okemos Public Schools internal control over financial reporting and compliance.

September 9, 2025

**OKEMOS PUBLIC SCHOOLS  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

This section of Okemos Public Schools' annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2025. Please read it in conjunction with the District's financial statements, which immediately follow this section. A comparative analysis with the prior year has been provided.

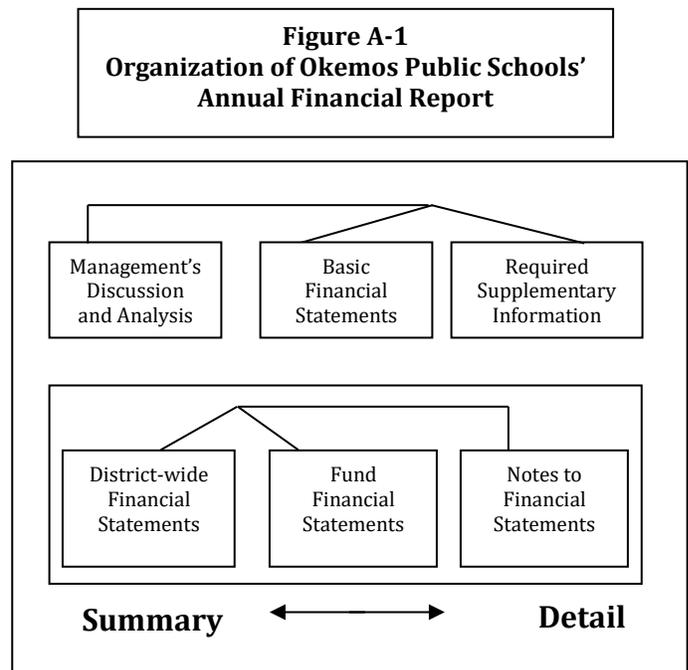
**FINANCIAL HIGHLIGHTS**

- The District's financial status remained stable. The District's overall revenues were \$93.5 million dollars.
- Total general fund revenues were \$70.3 million. Revenues for the 2024-2025 school year decreased 0.9% from the previous year primarily due to an decrease in federal funding from the State of Michigan. Expenditures increased 2.9% over the same period due to slight increases in employee compensation and group health insurance costs as well as the corresponding increase in MPERS expenditures.
- The District's enrollment has increased showing a growth of over 15 students in fiscal year 2024-25.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of three parts - management's discussion and analysis (this section), the basic financial statements and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *District-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations *in more detail* than the District-wide statements.
- The *governmental funds* statements tell how *basic* services like regular and special education were financed in the *short-term* as well as what remains for future spending.



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**OKEMOS PUBLIC SCHOOLS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

The financial statements also include *notes* that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the financial statements with a comparison of the District's budget for the year as well as required schedules related to the net pension liability and net OPEB asset. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

<b>Figure A-2</b>		
<b>Major Features of District-wide and Fund Financial Statements</b>		
	<u>District-wide Statements</u>	<u>Fund Financial Statements</u>
		<u>Governmental Funds</u>
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance.
Required financial statements	* Statement of net position * Statement of activities	* Balance sheet * Statement of revenues, expenditures and changes in fund balances
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and the related liability is due and payable

Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

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**OKEMOS PUBLIC SCHOOLS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**DISTRICT-WIDE STATEMENTS**

The District-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes *all* of the District's assets, deferred outflows, deferred inflows, and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two District-wide statements report the District's *net position* and how they have changed. Net position - the difference between the District's assets, deferred outflows, deferred inflows, and liabilities - is one way to measure the District's financial health or *position*.

- Over time, increases or decreases in the District's net position is an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the District, you need to consider additional nonfinancial factors such as changes in the District's property tax base, the condition of school buildings and other facilities and the long-term cash flow needs of the District.

In the District-wide financial statements, the District's activities:

- Governmental Activities - Most of the District's basic services are included here, such as regular and special education, transportation and administration. Property taxes and state foundation aid finance most of these activities.

**FUND FINANCIAL STATEMENTS**

The fund financial statements provide more detailed information about the District's *funds*, focusing on its most significant or "major" funds - not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (like repaying its long-term debts) or to show that it is properly using certain revenues (like school lunch and student activities).

The District has one kind of fund:

- Governmental Funds - All of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out, and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the District-wide statements, we provide additional information with the governmental funds statements that explain the relationship (or differences) between them.

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**OKEMOS PUBLIC SCHOOLS  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE**

Net Position - The District's combined net position changed as follows:

Table A-3 Okemos Public Schools' Net Position		
	2025	2024*
Current and other assets	\$ 75,977,294	\$ 106,765,302
Net other postemployment benefits asset	13,555,098	1,782,556
Capital assets	109,673,791	75,421,427
Total assets	199,206,183	183,969,285
Deferred outflows	27,172,416	37,535,174
Noncurrent liabilities	93,309,574	100,676,854
Net pension liability	77,238,939	102,134,550
Other liabilities	22,644,413	15,386,671
Total liabilities	193,192,926	218,198,075
Deferred inflows	43,567,432	31,061,169
Net position		
Net investment in capital assets	58,389,881	53,415,932
Restricted for debt service	213,488	34,127
Restricted for capital projects - sinking fund	3,375,151	3,018,713
Restricted for food service	114,929	147,937
Restricted for net other postemployment benefits	13,555,098	1,782,556
Unrestricted	(86,030,306)	(86,154,050)
Total net position	\$ (10,381,759)	\$ (27,754,785)
*The 2024 numbers have not been updated for the adoption of GASB 101		

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**OKEMOS PUBLIC SCHOOLS  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Table A-4 Changes in Okemos Public Schools' Net Position		
	2025	2024*
<b>Revenues</b>		
Program revenues		
Charges for services	\$ 2,955,479	\$ 2,988,326
Operating grants and contributions	22,596,736	22,557,289
General revenues		
Property taxes	23,603,082	22,718,849
State aid - unrestricted	34,473,433	35,813,305
Ingham ISD	5,626,680	5,202,193
Investment and other	4,238,788	1,644,855
Total revenues	93,494,198	90,924,817
<b>Expenses</b>		
Instruction	34,104,904	39,045,897
Support services	25,153,492	24,803,763
Community services	3,050,944	3,209,908
Food services	2,713,220	2,483,562
Student/school activities	1,211,207	1,177,855
Athletics	983,891	983,742
Interest on long-term debt	4,320,415	1,554,168
Unallocated depreciation/amortization	3,539,768	2,372,557
Total expenses	75,077,841	75,631,452
Change in net position	\$ 18,416,357	\$ 15,293,365
*The 2024 numbers have not been updated for the adoption of GASB 101		

**District Governmental Activities**

The overall stability of the District's financial position can be credited to a focus on controlling expenditures, while attempting to limit impact on K-12 programming. It can further be attributed to the District's "balanced" approach of reducing expenditures, increasing revenue, seeking collaborative cost sharing, and annual assessment of general fund balance level to responsibly manage the District's finances. The District continued to monitor its financial status throughout the fiscal year, and made necessary adjustments to various opportunities faced by the District during 2024-2025.

- In 2024-25, the Board of Education adopted a deficit budget, understanding that a year of spending from the district's fund balance would allow the district to maintain current levels of support for our students and staff. While the district likely would have closed that gap, unexpected revenue losses from the State of Michigan and Ingham Intermediate School District (ISD), as well as increased costs due to health insurance premiums and environmental remediations in one of our buildings significantly impacted the budget. In the end the District's unassigned fund balance decreased to 11.6% of General Fund expenditures.

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**OKEMOS PUBLIC SCHOOLS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**District Governmental Activities (continued)**

- One of the most important factors affecting the District's budget is student enrollment. Prior to the Pandemic, the District experienced consistent annual growth. Enrollment declined during the two years of the Pandemic; however, in the three years since, the District has returned to a pattern of steady growth. Preliminary data for the 2025-26 school year indicates encouraging enrollment numbers, exceeding our budget estimate of 25 additional students. The District continues to closely monitor trends and makes both staffing and non-staffing adjustments as needed to effectively support student needs.
- As of the time of the audit's preparation, the State of Michigan has not yet adopted a State School Aid budget. This delay has created significant uncertainty regarding funding levels for the 2025-26 school year. Traditionally, the District and its employee bargaining units have maintained a collaborative and constructive relationship, with collective bargaining agreements typically finalized prior to June 30. However, due to the ongoing uncertainty at the state level, collective bargaining has been delayed. Notwithstanding these circumstances, the District remains firmly committed to our shared goals of supporting student learning and maximizing instructional time, while also recognizing and valuing the hard work and dedication of our employees.

As a result of a continued emphasis on conservative management and control of expenditure levels throughout the District, the overall impact on the general fund balance in 2024-2025 exceeded the Board adopted budget. The District is acutely aware of past and possible future economic restraints facing Michigan and school funding and has planned and reorganized in anticipation of possible funding shortfalls.

**FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

As the District completed the year, its governmental funds reported a combined fund balance of \$53,906,873, a decrease of \$38,276,582 compared to the ending funding balance of \$92,183,455 as of June 30, 2024.

**General Fund Highlights**

Over the course of the year, the District revised the annual operating budget twice. These budget amendments are:

- Revisions to the District's budget were approved in January 2025 to reflect actual student enrollment counts, the finalized State-determined per pupil funding allowance, and updates to other State and Federal funding sources. These revisions also incorporated updated assumptions that had changed since the adoption of the original budget. Key updates included the actual impact of health insurance premium increases, environmental remediation estimates, finalized staffing levels, wage adjustments, modifications to supply and textbook budgets based on enrollment figures, and adjustments reflecting actual expenditures.

A second round of revisions to the General Fund budget was approved in May 2025. These updates included adjustments to revenues—across Federal, State, and Local sources—as well as corresponding expenditure changes, resulting in net modifications to the Board-adopted budget.

- The District's final budget for the general fund anticipated an operating deficit of \$1,733,002, the actual results were a deficit of \$1,702,620. The deficit was due to decreased revenues from federal and state sources and increased expenditures due to staffing.

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**OKEMOS PUBLIC SCHOOLS  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**General Fund Highlights (continued)**

- The District invested approximately \$41.1 million in capital assets during 2024-2025, including school building repairs and improvements, machinery and equipment, computer equipment and vehicles. Total depreciation/amortization expense for the year amounted to approximately 6.8 million.

Table A-5 Okemos Public Schools' Capital Assets		
	2025	2024
Land and land improvements	\$ 7,222,367	\$ 7,413,913
Building and improvements	87,640,884	53,892,135
Equipment and furniture	12,846,958	12,260,918
Right to use - leased equipment	125,372	176,533
Right to use - subscription-based IT	474,735	667,494
Transportation equipment	1,363,475	1,010,434
Total - net of accumulated depreciation/amortization	\$ 109,673,791	\$ 75,421,427

The District's fiscal year 2025-26 capital expenditures budget anticipates spending approximately \$48,000,000 for construction and design of the new 5-8 building and a new K-4 building as well as other projects determined to be pressing needs within our district. These projects are funded through the November 2022 bond election as well as District's Building and Site Sinking fund.

**Long-term Debt**

At June 30, 2025 the District had approximately \$93.3 million in long-term obligations outstanding - a decrease of 7.3% from last year due to paying down existing bonded debt. (More detailed information about the District's long-term liabilities is presented in the notes to the financial statements.)

Table A-6 Okemos Public Schools' Long-term Obligations		
	2025	2024*
Bond and related debt	\$ 89,199,252	\$ 97,244,245
Notes from direct borrowings and direct placement	140,663	199,824
Compensated absences and other benefits	3,969,659	3,232,785
Total	\$ 93,309,574	\$ 100,676,854

\*The 2024 numbers have not been updated for the adoption of GASB 101

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**OKEMOS PUBLIC SCHOOLS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**SUMMARY**

The District has maintained a proactive approach to the control of expenditures and the enhancement of revenues. As a result, the financial status of the District remained stable throughout the 2024-2025 fiscal year.

**FACTORS BEARING ON THE DISTRICT'S FUTURE**

At the time these financial statements were prepared and audited, the District was aware of existing circumstances that could significantly affect its financial health in the future:

- District operations remain heavily reliant on State funding, with over 50% of total General Fund revenue derived from per pupil foundation allowance payments. For the 2024–25 school year, the State Legislature did not provide a traditional annual increase to the foundation allowance. Instead, an equivalent of approximately \$410 per pupil was appropriated through a one-time adjustment in retirement-related expenditures. Unlike foundation allowance increases, this adjustment does not represent a recurring source of funding and therefore does not provide ongoing financial stability.

As of the time of the audit's preparation, the State of Michigan has not yet adopted a School Aid budget for the 2025-26 school year. This delay continues to create significant uncertainty regarding future funding levels. The district will continue to closely monitor the 2025-26 legislative budget process and evaluate its impact on future budgeting and financial planning.

- Over the past 10 years, the District has experienced significant enrollment growth, with an increase of nearly 500 students. Only two of those years—during the COVID-19 pandemic—saw a decline in enrollment. As of the start of the 2025–26 school year, enrollment is once again rising and has already exceeded the original budget projection of 25 additional students. Actual enrollment figures will be reflected in the December 2025 budget revision.
- Health care premiums remained relatively stable for several years; however, they have begun to escalate once again. This trend presents a financial challenge for the District, particularly given the labor-intensive nature of the education sector, where personnel costs represent a significant portion of the overall budget.
- Overall, the 2024-25 General Fund original budget projected a decrease in fund balance of \$1,111,764 bringing the ending fund balance at June 30, 2025 to 12.90%. Following the ending results of FY 2024-25, the ending fund balance is now projected to be closer to 12.70%.
- Recognizing that continued deficit spending was unsustainable, the District undertook a budget reduction process in Spring 2025 to restore fiscal balance. In addition to updating key budgetary assumptions—such as enrollment projections and the State foundation allowance—the District implemented \$1,131,510 in expenditure reductions. As a result, a balanced budget was adopted for the 2025–26 fiscal year.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information, contact the Executive Director of Finance's Office at 4406 Okemos Road, Okemos, Michigan 48864 or 517-706-5000.

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## **BASIC FINANCIAL STATEMENTS**

**OKEMOS PUBLIC SCHOOLS  
STATEMENT OF NET POSITION  
JUNE 30, 2025**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 6,565,711
Investments	10,526,229
Receivables	
Intergovernmental	9,225,797
Property taxes and other receivables	81,217
Inventories	44,404
Prepays	829,267
Restricted investments capital projects fund	48,704,669
Net other postemployment benefits asset	13,555,098
Capital assets not being depreciated/amortized	4,353,355
Capital assets, net of accumulated depreciation/amortization	<u>105,320,436</u>
<b>TOTAL ASSETS</b>	<u><b>199,206,183</b></u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Related to other postemployment benefits	3,317,771
Related to pensions	<u>23,854,645</u>
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<u><b>27,172,416</b></u>
<b>LIABILITIES</b>	
Accounts payable	11,911,455
Accrued salaries and related items	5,161,191
Accrued retirement	2,336,504
Accrued interest	673,992
Unearned revenue	2,561,271
Noncurrent liabilities	
Due within one year	8,190,048
Due in more than one year	85,119,526
Net pension liability	<u>77,238,939</u>
<b>TOTAL LIABILITIES</b>	<u><b>193,192,926</b></u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Related to other postemployment benefits	17,501,197
Related to pensions	21,816,301
Related to state aid funding for pension	<u>4,249,934</u>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u><b>43,567,432</b></u>
<b>NET POSITION</b>	
Net investment in capital assets	58,389,881
Restricted for debt service	213,488
Restricted for food service	114,929
Restricted for capital projects - sinking fund	3,375,151
Restricted for net other postemployment benefits	13,555,098
Unrestricted	<u>(86,030,306)</u>
<b>TOTAL NET POSITION</b>	<u><u><b>\$ (10,381,759)</b></u></u>

**OKEMOS PUBLIC SCHOOLS  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2025**

Functions/Programs	Expenses	Program Revenues		Governmental
		Charges for Services	Operating Grants and Contributions	Activities Net (Expense) Revenue and Changes in Net Position
Governmental activities				
Instruction	\$ 34,104,904	\$ -	\$ 14,808,465	\$ (19,296,439)
Support services	26,137,383	465,073	3,714,607	(21,957,703)
Community services	3,050,944	2,281,806	-	(769,138)
Food services	2,713,220	208,600	2,809,551	304,931
Student/school activities	1,211,207	-	1,264,113	52,906
Interest and fees on long-term debt	4,320,415	-	-	(4,320,415)
Unallocated depreciation/amortization	3,539,768	-	-	(3,539,768)
Total governmental activities	<u>\$ 75,077,841</u>	<u>\$ 2,955,479</u>	<u>\$ 22,596,736</u>	<u>(49,525,626)</u>
General revenues				
Property taxes, levied for general purposes				10,361,391
Property taxes, levied for debt service				11,621,324
Property taxes, levied for capital projects				1,620,367
State sources - unrestricted				34,473,433
Ingham ISD special educational allocation				5,626,680
Investment earnings				3,434,867
Other				803,921
Total general revenues				<u>67,941,983</u>
CHANGE IN NET POSITION				18,416,357
NET POSITION, beginning of year as previously reported				(27,754,785)
Adjustment to beginning net position				<u>(1,043,331)</u>
NET POSITION, beginning of year as restated				<u>(28,798,116)</u>
NET POSITION, end of year				<u>\$ (10,381,759)</u>

**OKEMOS PUBLIC SCHOOLS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2025**

	General Fund	2019 Capital Projects Fund	2023 Capital Projects Fund (Series I and II)	Total Nonmajor Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 3,107,488	\$ -	\$ -	\$ 3,458,223	\$ 6,565,711
Investments	7,355,014	-	-	3,171,215	10,526,229
Receivables					
Property taxes and other receivables	63,399	-	-	17,818	81,217
Intergovernmental	8,985,887	-	-	239,910	9,225,797
Due from other funds	-	-	347,682	49,373	397,055
Inventories	-	-	-	44,404	44,404
Prepays	829,267	-	-	-	829,267
Restricted investments capital projects fund	-	-	48,704,669	-	48,704,669
<b>TOTAL ASSETS</b>	<b>\$ 20,341,055</b>	<b>\$ -</b>	<b>\$ 49,052,351</b>	<b>\$ 6,980,943</b>	<b>\$ 76,374,349</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ 858,328	\$ -	\$ 10,996,346	\$ 56,781	\$ 11,911,455
Accrued salaries and related items	5,154,581	-	-	6,610	5,161,191
Accrued retirement	2,334,579	-	-	1,925	2,336,504
Due to other funds	196,185	-	-	200,870	397,055
Unearned revenue	2,471,682	-	-	89,589	2,561,271
<b>TOTAL LIABILITIES</b>	<b>11,015,355</b>	<b>-</b>	<b>10,996,346</b>	<b>355,775</b>	<b>22,367,476</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue	100,000	-	-	-	100,000
<b>FUND BALANCES</b>					
<b>Nonspendable</b>					
Inventories	-	-	-	44,404	44,404
Prepays	829,267	-	-	-	829,267
<b>Restricted for:</b>					
Debt service	-	-	-	887,480	887,480
Food service	-	-	-	1,178,887	1,178,887
Capital projects	-	-	-	3,375,151	3,375,151
Capital projects - school improvements	-	-	38,056,005	-	38,056,005
Committed for student/school activities	-	-	-	826,380	826,380
<b>Assigned for:</b>					
Capital projects	-	-	-	312,866	312,866
Unassigned	8,396,433	-	-	-	8,396,433
<b>TOTAL FUND BALANCES</b>	<b>9,225,700</b>	<b>-</b>	<b>38,056,005</b>	<b>6,625,168</b>	<b>53,906,873</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 20,341,055</b>	<b>\$ -</b>	<b>\$ 49,052,351</b>	<b>\$ 6,980,943</b>	<b>\$ 76,374,349</b>

**OKEMOS PUBLIC SCHOOLS  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2025**

<b>Total governmental fund balances</b>		\$ 53,906,873
Amounts reported for governmental activities in the statement of net position are different because:		
Deferred outflows of resources - related to pensions	\$ 23,854,645	
Deferred outflows of resources - related to OPEB	3,317,771	
Deferred inflows of resources - related to pensions	(21,816,301)	
Deferred inflows of resources - related to OPEB	(17,501,197)	
Deferred inflows of resources - related to state pension funding	(4,249,934)	
Deferred inflows at June 30, 2025 expected to be collected after September 1, 2025	<u>100,000</u>	
		(16,295,016)
Some assets are not current financial resources and therefore are not reported in the Governmental Funds Balance Sheet.		
Noncurrent assets at year-end consist of:		
Net other postemployment benefits asset		13,555,098
Capital assets used in governmental activities are not financial resources and are not reported in the funds:		
Cost of the capital assets	197,435,042	
Accumulated depreciation/amortization is	<u>(87,761,251)</u>	
		109,673,791
Long-term liabilities are not due and payable in the current period and are not reported in the funds:		
General obligation bonds		(89,199,252)
Direct borrowings and direct placement		(140,663)
Compensated absences and other benefits		(3,969,659)
Net pension liability		(77,238,939)
Accrued interest is not included as a liability in governmental funds, it is recorded when paid:		
Accrued interest		<u>(673,992)</u>
<b>Net position of governmental activities</b>		<u><u>\$ (10,381,759)</u></u>

**OKEMOS PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2025**

	<u>General Fund</u>	<u>2019 Capital Projects Fund</u>	<u>2023 Capital Projects Fund (Series I and II)</u>	<u>Total Nonmajor Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>					
Local sources					
Property taxes	\$ 10,361,391	\$ -	\$ -	\$ 13,241,691	\$ 23,603,082
Community service	2,281,806	-	-	-	2,281,806
Intermediate district	5,676,908	-	-	-	5,676,908
Investment earnings, net	197,919	(82,461)	3,067,206	260,813	3,443,477
Food service sales	-	-	-	199,990	199,990
Athletics	223,942	-	-	-	223,942
Student/school activity income	-	-	-	1,264,113	1,264,113
Other	667,047	-	347,993	30,012	1,045,052
	<u>19,409,013</u>	<u>(82,461)</u>	<u>3,415,199</u>	<u>14,996,619</u>	<u>37,738,370</u>
Total local sources					
State sources	49,965,106	-	-	1,885,831	51,850,937
Federal sources	891,838	-	-	1,027,342	1,919,180
	<u>70,265,957</u>	<u>(82,461)</u>	<u>3,415,199</u>	<u>17,909,792</u>	<u>91,508,487</u>
TOTAL REVENUES					
<b>EXPENDITURES</b>					
Current					
Instruction	41,329,074	-	-	-	41,329,074
Support services	27,215,754	-	-	-	27,215,754
Community services	3,382,813	-	-	-	3,382,813
Interdistrict transactions	9,600	-	-	-	9,600
Food service	-	-	-	2,849,187	2,849,187
Student/school activities	-	-	-	1,211,207	1,211,207
Capital outlay	28,057	24,054	40,536,053	1,460,157	42,048,321

See notes to financial statements.

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	General Fund	2019 Capital Projects Fund	2023 Capital Projects Fund (Series I and II)	Total Nonmajor Funds	Total Governmental Funds
EXPENDITURES (continued)					
Debt service					
Principal repayment	\$ 59,161	\$ -	\$ -	\$ 7,315,000	\$ 7,374,161
Interest	7,083	-	-	4,356,244	4,363,327
Miscellaneous	-	-	-	1,625	1,625
	<u>72,031,542</u>	<u>24,054</u>	<u>40,536,053</u>	<u>17,193,420</u>	<u>129,785,069</u>
TOTAL EXPENDITURES					
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,765,585)</u>	<u>(106,515)</u>	<u>(37,120,854)</u>	<u>716,372</u>	<u>(38,276,582)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	80,000	-	-	17,035	97,035
Transfers out	<u>(17,035)</u>	<u>-</u>	<u>-</u>	<u>(80,000)</u>	<u>(97,035)</u>
	<u>62,965</u>	<u>-</u>	<u>-</u>	<u>(62,965)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)					
NET CHANGE IN FUND BALANCES	(1,702,620)	(106,515)	(37,120,854)	653,407	(38,276,582)
FUND BALANCES					
Beginning of year	<u>10,928,320</u>	<u>106,515</u>	<u>75,176,859</u>	<u>5,971,761</u>	<u>92,183,455</u>
End of year	<u>\$ 9,225,700</u>	<u>\$ -</u>	<u>\$ 38,056,005</u>	<u>\$ 6,625,168</u>	<u>\$ 53,906,873</u>

See notes to financial statements.

**Draft**  
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**OKEMOS PUBLIC SCHOOLS  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2025**

<b>Net change in fund balances total governmental funds</b>	<b>\$ (38,276,582)</b>
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. In the statement of activities, these costs are allocated over their estimated useful lives as depreciation/amortization:	
Depreciation/amortization expense	(6,796,448)
Capital outlay	41,063,804
Loss on disposal of capital assets	(14,992)
Accrued interest on bonds and other debt is recorded in the statement of activities when incurred; it is not recorded in governmental funds until it is paid:	
Accrued interest payable, beginning of the year	717,017
Accrued interest payable, end of the year	(673,992)
The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The effect of these differences is the treatment of long-term debt and related items and are as follows:	
Payment on debt principal	7,315,000
Amortization of bond premium	729,993
Payments on notes from direct borrowings and direct placement	59,161
Revenue is recorded on the accrual method in the statement of activities; in the governmental funds it is recorded on the modified accrual method and not considered available:	
Unavailable revenue, beginning of the year	(100,000)
Unavailable revenue, end of the year	100,000
Compensated absences and other benefits are reported on the accrual method in the statement of activities, and recorded as an expenditure when financial resources are used in the governmental funds:	
Accrued compensated absences and other benefits, beginning of the year, as restated	4,276,116
Accrued compensated absences and other benefits, end of the year	(3,969,659)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:	
Other postemployment benefits related items	4,869,307
Pension related items	6,943,988
Restricted revenue reported in the governmental funds that is deferred to offset the deferred outflows related to section 147c pension contributions subsequent to the measurement period:	
Change in state aid funding for pension	1,985,837
<b>Change in net position of governmental activities</b>	<b>\$ 18,416,357</b>

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Reporting Entity

Okemos Public Schools (the “District”) is governed by the Okemos Public Schools Board of Education (the “Board”), which has responsibility and control over all activities related to public school education within the District. The District receives funding from local, state, and federal sources and must comply with all of the requirements of these funding source entities. However, the District is not included in any other governmental reporting entity as defined by the accounting principles generally accepted in the United States of America. Board members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations, and the primary accountability for fiscal matters. In addition, the District’s reporting entity does not contain any component units as defined in Governmental Accounting Standards Board (GASB) Statements.

Description of Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the District. *Governmental activities* normally are supported by taxes and intergovernmental revenues.

Basis of Presentation - Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from the governmental funds.

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

Basis of Presentation - Fund Financial Statements

The fund financial statements provide information about the District’s funds. The emphasis of fund financial statements is on major governmental funds. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following *Major Governmental Funds*:

The *General Fund* is the District’s primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

The *2019 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 Revised School Code.. The project for which the 2019 Capital Projects Bond was issued was considered complete on June 30, 2025 (June 30 immediately following date of Certificate of Substantial Completion or 95% of proceeds expended).

The *2023 Capital Projects Fund (Series I and II)* 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 Revised School Code. The fund is not yet considered substantially complete and a subsequent year audit is expected.

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Basis of Presentation - Fund Financial Statements (continued)

Beginning with the year of bond issuance, the school district has reported the annual construction activity in the *2019 Capital Projects Fund* and the *2023 Capital Projects Fund (Series I and II)*.

The cumulative revenues and expenditures recognized for the construction period were as follows:

	2019 Capital Projects Fund	2023 Capital Projects Fund (Series I and II)
Revenue and other financing sources	\$ 25,639,377	\$ 97,599,071
Expenditures and outgoing transfers	\$ 25,639,377	\$ 59,543,066

The District reports the following *Other Nonmajor Funds*:

The *Special Revenue Funds* account for revenue sources that are legally restricted to expenditures for specific purposes (not including expendable trusts or major capital projects). The District accounts for its food service and student/school activities in the special revenue funds.

The *Debt Service Funds* account for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The *Capital Projects Fund* accounts for the receipt of local funding that will be used for the acquisition of capital assets or construction of major capital projects.

The *Capital Projects Sinking Fund* accounts for the receipt of property taxes and the acquisition of capital assets or construction of major capital projects.

*Sinking Fund* - The Okemos Public Schools capital project fund records capital project activities funded with Sinking Fund millage. For this fund, the District has complied with the applicable provisions of §1212(I) of the Revised School Code and the State of Michigan Department of Treasury Letter No. 2023-1.

During the course of operations, the 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, they are eliminated in the preparation of the government-wide financial statements.

Further, 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, they are eliminated in the preparation of the government-wide financial statements.

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues 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 governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are generally collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Property taxes, state and federal aid, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end).

The State of Michigan utilizes a foundation grant approach which provides for a specific annual amount of revenue per pupil based on a statewide formula. The foundation is funded from state and local sources. Revenues from state sources are primarily governed by the School Aid Act and the School Code of Michigan. The Michigan Department of Education administers the allocation of state funds to school districts based on information supplied by the districts. For the current year ended, the foundation allowance was based on pupil membership counts.

The state portion of the foundation is provided primarily by a state education property tax millage of 6 mills on Principal Residence Exemption (PRE) property and an allocated portion of state sales and other taxes. The local portion of the foundation is funded primarily by Non-PRE property taxes which may be levied at a rate of up to 18 mills as well as 6 mills for Commercial Personal Property Tax. The state revenue is recognized during the foundation period and is funded through payments from October to August. Thus, the unpaid portion at June 30 is reported as an intergovernmental receivable.

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Measurement Focus and Basis of Accounting (continued)

The District also receives revenue from the state to administer certain categorical education programs. State rules require that revenue earmarked for these programs be used for its specific purpose. Certain governmental funds require an accounting to the state of the expenditures incurred. For categorical funds meeting this requirement, funds received and accrued, which are not expended by the close of the fiscal year are recorded as unearned revenue.

All other revenue items are generally considered to be measurable and available only when cash is received by the District.

Budgetary Information

*Budgetary Basis of Accounting*

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund and special revenue funds. The capital projects fund is appropriated on a project-length basis. Other funds do not have appropriated budgets.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executor) contracts for goods or services (i.e., purchase orders, contracts, and commitments). The District does not utilize encumbrance accounting.

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. The Superintendent submits to the School Board a proposed operating budget for the fiscal year commencing on July 1. The operating budget includes proposed expenditures and the means of financing them. The level of control for the budgets is at the functional level as set forth and presented as required supplementary information.
- b. Public hearings are conducted to obtain taxpayer comments.
- c. Prior to July 1, the budget is legally adopted by School Board resolution pursuant to the Uniform Budgeting and Accounting Act (1968 PA 2). The Act requires that the budget be amended prior to the end of the fiscal year when necessary to adjust appropriations if it appears that revenues and other financing sources will be less than anticipated or so that expenditures will not be in excess of original estimates. Expenditures shall not be made or incurred, unless authorized in the budget, in excess of the amount appropriated. Violations, if any, in the general fund are noted in the required supplementary information section.
- d. Transfers may be made for budgeted amounts between major expenditure functions within any fund; however, these transfers and any revisions that alter the total expenditures of any fund must be approved by the School Board.
- e. The budget was amended during the year with supplemental appropriations, the last one was approved prior to year ended June 30, 2025. The District does not consider these amendments to be significant.

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

*Cash and Cash Equivalents*

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

*Investments*

In accordance with Michigan Compiled Laws, the District is authorized to invest in the following investment vehicles:

- a. Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.
- b. Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a bank which is a member of the Federal Deposit Insurance Corporation (FDIC) or a savings and loan association which is a member of the Federal Savings and Loan Insurance Corporation (FSLIC) or a credit union which is insured by the National Credit Union Administration (NCUA), but only if the bank, savings and loan association, or credit union is eligible to be a depository of surplus funds belonging to the State under section 5 or 6 of Act No. 105 of the Public Acts of 1855, as amended, being Section 21.145 and 21.146 of the Michigan Compiled Laws.
- c. Commercial paper rated at the time of purchase within the three (3) highest classifications established by not less than two (2) standard rating services and which matures not more than 270 days after the date of purchase.
- d. The United States government or federal agency obligations repurchase agreements.
- e. Bankers acceptances of United States banks.
- f. Mutual funds composed of investment vehicles, which are legal for direct investment by local units of government in Michigan.

Michigan Compiled Laws allow for collateralization of government deposits, if the assets for pledging are acceptable to the State Treasurer under Section 3 of 1855 PA 105, MCL 21.143, to secure deposits of State surplus funds, securities issued by the Federal Loan Mortgage Corporation, Federal National Mortgage Association, or Government National Mortgage Association.

*Inventories and Prepaid Items*

Inventories are valued at cost using the first-in/first-out (FIFO) method and consist of expendable supplies. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

**Draft  
Subject to Change**

**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (continued)

*Capital Assets*

Capital assets, which include property, plant, equipment, right to use – leased equipment, right to use - subscription based IT arrangements, and transportation vehicles, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$15,000 and an estimated useful life in excess of 2 years. Group purchases are evaluated on a case by case basis. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets.

Land and construction in progress, if any, are not depreciated. Right to use assets of the District are amortized using the straight-line method over the shorter of the lease/subscription period or the estimated useful lives. The other capital assets of the District are depreciated using the straight-line method over the following estimated useful lives:

Capital Asset Classes	Lives
Land improvements	10 - 27.5 years
Building and improvements	10 - 50 years
Furniture and fixtures	7 - 20 years
Machinery and equipment	5 - 20 years
Computers and equipment	5 - 10 years
Right to use - leased equipment	5 years
Transportation equipment	5 - 10 years
Right to use - subscription-based IT	3 - 7 years

*Defined Benefit Plans*

For purposes of measuring the net pension liability and other postemployment benefit asset, deferred outflows of resources and deferred inflows of resources related to pensions and other postemployment benefits, and pension and other postemployment benefits expense, information about the fiduciary net position of the Michigan Public 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. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

*Deferred Outflows*

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The District has two items that qualify for reporting in this category. They are the deferred charge on pension and other postemployment benefits related items reported in the government-wide statement of net position. A deferred outflow is recognized for pension and other postemployment benefit related items. These amounts are expensed in the plan year in which they apply.

**Draft**  
**Subject to Change**

**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (continued)

*Deferred Inflows*

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has four items that qualify for reporting in this category. The first is restricted section 147c state aid deferred to offset deferred outflows related to section 147c pension benefit contributions subsequent to the measurement period. The second and third items are future resources yet to be recognized in relation to the pension and other postemployment benefit actuarial calculation. These future resources arise from differences in the estimates used by the actuary to calculate the pension and other postemployment benefit liability and the actual results. The amounts are amortized over a period determined by the actuary. The last item arises only under a modified accrual basis of accounting. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from receipts that are received after 60 days of year end. These amounts are deferred and recognized as inflows of resources in the period that the amounts become available.

*Net Position Flow Assumption*

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

*Fund Balance Flow Assumptions*

Sometimes the District will 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 District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, 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.

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (continued)

*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 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 District's highest level of decision-making authority. The Board of Education is the highest level of decision-making authority for the District that can, by adoption of a board action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the board action remains in place until a similar action is taken (the adoption of another board action) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. 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 only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

*Leases and Subscription-based IT Arrangements (SBITA)*

The District is a lessee for a noncancelable lease/subscription of equipment and IT arrangements. The District recognizes a lease/SBITA liability and an intangible right-to-use lease/SBITA asset in the government-wide financial statements.

At the commencement of a lease/subscription, the District initially measures the lease/SBITA liability at the present value of payments expected to be made during the lease/SBITA term. Subsequently, the lease/SBITA liability is reduced by the principal portion of lease/SBITA payments made. The lease/SBITA asset is initially measured as the initial amount of the lease/SBITA liability, adjusted for lease/SBITA payments made at or before the lease/SBITA commencement date, plus certain initial direct costs. Subsequently, the lease/SBITA asset is amortized on a straight-line basis over its useful life.

Key estimates and judgements related to lease/SBITA include how the District determines (1) the discount rate it uses to discount the expected lease/SBITA payments to present value, (2) lease/SBITA term, and (3) lease/SBITA payments.

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases/SBITA.
- The lease/SBITA term includes the noncancelable period of the lease/subscription. Lease/SBITA payments included in the measurement of the lease/SBITA liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (continued)

*Leases and Subscription-based IT Arrangements (SBITA) (continued)*

The District monitors changes in circumstances that would require a remeasurement of its lease/SBITA and will remeasure the lease/SBITA asset and liability if certain changes occur that are expected to significantly affect the amount of the lease/SBITA liability.

Lease/SBITA assets are reported with other capital assets and lease/SBITA liabilities are reported with long-term obligations on the statement of net position.

Revenues and Expenditures/Expenses

*Program Revenues*

Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, unrestricted state aid, interest, and other internally dedicated resources are reported as general revenues rather than as program revenues.

*Property Taxes*

Property taxes levied by the District are collected by various municipalities and periodically remitted to the District. The taxes are levied and become a lien as of July 1 and December 1 and are due upon receipt of the billing by the taxpayer and become a lien on the first day of the levy year. The actual due dates are September 14 and February 14, after which time the bills become delinquent and penalties and interest may be assessed by the collecting entity.

For the year ended June 30, 2025, the District levied the following amounts per \$1,000 of assessed valuation:

Fund	Mills
General fund	
Non-Principal Residence Exemption (PRE)	18.0000
Commercial Personal Property	6.0000
Debt service fund	
PRE, Non-PRE, Commercial Personal Property	7.0000
Capital projects fund (Sinking Fund):	
PRE, Non-PRE, Commercial Personal Property	0.9850

*Compensated Absences*

The District recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment. The liability for compensated absences is reported as incurred in the government-wide financial statements. The liability for compensated absences includes salary and related benefits, where applicable.

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Revenues and Expenditures/Expenses (continued)

*Long-Term Obligations*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities on the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method over the term of the related debt. Bond issuance costs are reported as expenditures in the year in which they are incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**NOTE 2 - DEPOSITS AND INVESTMENTS**

As of June 30, 2025, the District had the following deposits and investments subject to the following risks:

Custodial Credit Risk - Deposits.

In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. As of June 30, 2025, \$6,456,283 of the District's bank balance of \$6,706,283 was exposed to custodial credit risk because it was uninsured and uncollateralized. The carrying value on the books for deposits at the end of the year was \$6,565,711.

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of the failure of the counterparty, the 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 District will minimize custodial credit risk, which is the risk of loss due to the failure of the security issuer or backer, by; limiting investments to the types of securities allowed by law; and pre-qualifying the financial institutions, broker/dealers, intermediaries and advisors with which the District will do business.

**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 2 - DEPOSITS AND INVESTMENTS (continued)**

Interest Rate Risk

In accordance with its investment policy, the District will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by; structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the open market; and, investing operating funds primarily in shorter-term securities, liquid asset funds, money market mutual funds, or similar investment pools and limiting the average maturity in accordance with the District's cash requirements.

Investment Type	Fair Value	Weighted Average Maturity (years)
MILAF External Investment pool - Max	<u>\$ 59,230,898</u>	N/A
Portfolio weighted average maturity		<u>N/A</u>

1 day maturity equals approximately .0027 years.

Concentration Of Credit Risk

The District will minimize concentration of credit risk, which is the risk of loss attributed to the magnitude of the District's investment in a single issuer, by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized. Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality.

Investment Type	Fair Value	Standard & Poor's Rating	Rating Agency
MILAF External Investment pool - Max	<u>\$ 59,230,898</u>	AAAm	Standard & Poor's

Foreign Currency Risk

The District is not authorized to invest in investments which have this type of risk.

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 2 - DEPOSITS AND INVESTMENTS (continued)**

Fair Value Measurement

The District is required to disclose amounts within a framework established for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described as follows:

- Level 1: Quoted prices in active markets for identical securities.
- Level 2: Prices determined using other significant observable inputs. Observable inputs are inputs that other market participants may use in pricing a security. These may include prices for similar securities, interest rates, prepayment speeds, credit risk and others.
- Level 3: Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant, unobservable inputs may be used. Unobservable inputs reflect the District’s own assumptions about the factors market participants would use in pricing an investment and would be based on the best information available.

The asset or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The District voluntarily invests certain excess funds in external pooled investment funds which included money market funds. One of the pooled investment funds utilized by the District is the Michigan Investment Liquid Asset Fund (MILAF). MILAF funds are considered external investment pools as defined by the GASB and as such are recorded at amortized cost which approximate fair value. The MILAF (MAX Class) fund requires notification of redemptions prior to 14 days to avoid penalties. These funds are not subject to the fair value disclosures.

	Amortized Cost
MILAF External Investment pool - Max	\$ 59,230,898

The carrying amount of deposits and investments are as follows:

Investments	\$ 59,230,898
Deposits	6,565,711
	\$ 65,796,609

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 2 - DEPOSITS AND INVESTMENTS (continued)**

The above amounts are reported in the financial statements as follows:

Cash and cash equivalents	\$ 6,565,711
Investments	10,526,229
Investments restricted for capital projects fund	<u>48,704,669</u>
	<u>\$ 65,796,609</u>

**NOTE 3 - INTERGOVERNMENTAL RECEIVABLES**

Intergovernmental receivables as of June 30, 2025 consist of the following:

State aid - Michigan Department of Education	\$ 9,007,516
Federal	92,893
Intermediate school district and other	<u>125,388</u>
Total	<u>\$ 9,225,797</u>

Amounts due from other governmental units include amounts due from federal, state and local sources for various projects and programs.

No allowance for doubtful accounts is considered necessary.

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 4 - CAPITAL ASSETS**

A summary of changes in the District's capital assets follows:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Assets, not being depreciated/amortized				
Land	\$ 4,353,355	\$ -	\$ -	\$ 4,353,355
Capital assets, being depreciated/amortized				
Land improvements	12,704,588	170,639	-	12,875,227
Building and improvements	109,349,982	37,508,875	-	146,858,857
Furniture and fixtures	9,530,032	145,092	-	9,675,124
Machinery and equipment	4,966,007	421,080	-	5,387,087
Computers and equipment	12,773,597	2,245,464	(983,765)	14,035,296
Right to use - leased equipment	255,804	-	-	255,804
Right to use - subscription-based IT	1,026,265	-	-	1,026,265
Transportation equipment	2,417,821	572,654	(22,449)	2,968,026
Total capital assets, being depreciated/amortized	<u>153,024,096</u>	<u>41,063,804</u>	<u>(1,006,214)</u>	<u>193,081,686</u>
Accumulated depreciation/amortization				
Land improvements	9,644,030	362,185	-	10,006,215
Building and improvements	55,457,847	3,760,126	-	59,217,973
Furniture and fixtures	7,482,318	139,417	-	7,621,735
Machinery and equipment	4,218,370	102,364	-	4,320,734
Computers and equipment	3,308,030	1,968,823	(968,773)	4,308,080
Right to use - leased equipment	79,271	51,161	-	130,432
Right to use - subscription-based IT	358,771	192,759	-	551,530
Transportation equipment	1,407,387	219,613	(22,449)	1,604,551
Total accumulated depreciation/amortization	<u>81,956,024</u>	<u>6,796,448</u>	<u>(991,222)</u>	<u>87,761,250</u>
Net capital assets, being depreciated/amortized	<u>71,068,072</u>	<u>34,267,356</u>	<u>14,992</u>	<u>105,320,436</u>
Net governmental capital assets	<u>\$ 75,421,427</u>	<u>\$ 34,267,356</u>	<u>\$ 14,992</u>	<u>\$ 109,673,791</u>

Depreciation/amortization for the fiscal year ended June 30, 2025 amounted to \$6,796,448. The District allocated depreciation/amortization to the various activities as follows:

Instruction	\$ 6,874
Support	3,248,893
Community service	913
Unallocated	<u>3,539,768</u>
	<u>\$ 6,796,448</u>

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Subject to Change**

**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 5 - LONG-TERM OBLIGATIONS**

The District issues general obligation bonds to provide funds for the acquisition, construction and improvement of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the District.

The following is a summary of governmental long-term obligations for the District for the year ended June 30, 2025:

	Compensated Absences and Other Benefits*	General Obligation Bonds	Direct Borrowings and Direct Placements	Total
Balance July 1, 2024, as restated	\$ 4,276,116	\$ 97,244,245	\$ 199,824	\$ 101,720,185
Additions	-	-	-	-
Deletions	<u>(306,457)</u>	<u>(8,044,993)</u>	<u>(59,161)</u>	<u>(8,410,611)</u>
Balance June 30, 2025	3,969,659	89,199,252	140,663	93,309,574
Due within one year	<u>(198,483)</u>	<u>(7,930,000)</u>	<u>(61,565)</u>	<u>(8,190,048)</u>
Due in more than year	<u>\$ 3,771,176</u>	<u>\$ 81,269,252</u>	<u>\$ 79,098</u>	<u>\$ 85,119,526</u>

\*The change in the compensated absences liability is presented as a net change.

Long-term obligations currently outstanding is as follows:

General Obligation Bonds

2023 Bond (Series I) due in annual installments of \$125,000 to \$470,000 through May 1, 2043 with interest at 5% to 4%. \$ 5,795,000

2023 Bond (Series II) due in annual installments of \$750,000 to \$7,805,000 through May 1, 2054 with interest at 5%. 76,695,000

Premium on bonds 6,709,252

Total general obligation debt 89,199,252

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 5 - LONG-TERM OBLIGATIONS**

Direct Borrowings and Direct Placement

Copier leases due in monthly installments ranging from \$508 to \$3,059, including an implied interest rate of 4.00%. The leases expire at various dates through March 2028. \$ 131,144

SBITA - During the 2024 fiscal year, the District entered into a SBITA agreement. An initial liability was recorded in the amount of \$28,572. Due in annual installments of \$9,900 with an implied interest rate of 4.0%. 9,519

Total direct borrowing and direct placement 140,663

Compensated Absences

Obligation under contract for compensated absences and other benefits. 3,969,659

Total general long-term obligations \$ 93,309,574

The District's outstanding notes from direct borrowings and direct placements related to governmental activities of \$140,663 contains provisions that in an event of default, either by (1) unable to make principal or interest payments (2) false or misrepresentation is made to the lender (3) become insolvent or make an assignment for the benefit of its creditors (4) if the lender at any time in good faith believes that the prospect of payment of any indebtedness is impaired. Upon the occurrence of any default event, the outstanding amounts, including accrued interest become immediately due and payable.

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 5 - LONG-TERM OBLIGATIONS (continued)**

The annual requirements to amortize debt outstanding as of June 30, 2025, including interest payments are as follows:

Year Ending June 30,	General Obligation Bonds		Direct Borrowings and Direct Placements		Compensated Absences and Other Benefits	Total
	Principal	Interest	Principal	Interest		
2026	\$ 7,930,000	\$ 4,084,800	\$ 61,565	\$ 4,679	\$ -	\$ 12,081,044
2027	2,450,000	3,688,300	52,020	2,181	-	6,192,501
2028	2,745,000	3,565,800	27,078	452	-	6,338,330
2029	970,000	3,428,550	-	-	-	4,398,550
2030	1,070,000	3,380,050	-	-	-	4,450,050
2031 - 2035	6,705,000	16,021,550	-	-	-	22,726,550
2036 - 2040	11,885,000	13,942,650	-	-	-	25,827,650
2041 - 2045	14,710,000	10,684,300	-	-	-	25,394,300
2046 - 2050	17,045,000	6,884,750	-	-	-	23,929,750
2051 - 2054	16,980,000	2,174,250	-	-	-	19,154,250
	82,490,000	67,855,000	140,663	7,312	-	150,492,975
Premium on bonds	6,709,252	-	-	-	-	6,709,252
Compensated absences and other benefits	-	-	-	-	3,969,659	3,969,659
	<u>\$ 89,199,252</u>	<u>\$ 67,855,000</u>	<u>\$ 140,663</u>	<u>\$ 7,312</u>	<u>\$ 3,969,659</u>	<u>\$ 161,171,886</u>

**NOTE 6 - INTERFUND RECEIVABLES AND PAYABLES**

Interfund payable and receivable balances at June 30, 2025 are as follows:

Receivable Fund		Payable Fund	
2023 Capital Projects Fund (Series I and II)	\$ 347,682	General fund	\$ 196,185
Nonmajor Governmental Funds	49,373	Nonmajor Governmental Funds	200,870
Total	<u>\$ 397,055</u>		<u>\$ 397,055</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting systems, and (3) payments between funds are made.

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 7 - PENSION AND OTHER POSTEMPLOYMENT BENEFITS**

Plan Description

The Michigan Public School Employees' Retirement System (MPSERS) (System) is a cost-sharing, multiple employer, state-wide, defined benefit public employee retirement plan governed by the State of Michigan (State) originally created under Public Act 136 of 1945, recodified and currently operating under the provisions of Public Act 300 of 1980, as amended. Section 25 of this act establishes the Board's authority to promulgate or amend the provisions of the System. MPSERS issues a publicly available Annual Comprehensive Financial Report that can be obtained at [www.michigan.gov/orsschools](http://www.michigan.gov/orsschools).

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

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

Benefits Provided - Overall

Participants are enrolled in one of multiple plans based on date of hire and certain voluntary elections. A summary of the plans offered by MPSERS is as follows:

<u>Plan Name</u>	<u>Plan Type</u>	<u>Plan Status</u>
Basic	Defined Benefit	Closed
Member Investment Plan (MIP)	Defined Benefit	Closed
Pension Plus	Hybrid	Closed
Pension Plus 2	Hybrid	Open
Defined Contribution	Defined Contribution	Open

Benefits Provided - Pension

Benefit provisions of the defined benefit pension 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 (DB) pension plan. Retirement benefits for DB plan members are determined by final average compensation and years of service. DB members are eligible to receive a monthly benefit when they meet certain age and service requirements. The System also provides disability and survivor benefits to DB plan members.

Prior to Pension reform of 2010 there were two plans commonly referred to as Basic and the Member Investment Plan (MIP). Basic Plan member's contributions range from 0% - 4%. On January 1, 1987, the Member Investment Plan (MIP) was enacted. MIP members enrolled prior to January 1, 1990, contribute at a permanently fixed rate of 3.9% of gross wages. Members first hired January 1, 1990, or later including Pension Plus Plan members, contribute at various graduated permanently fixed contribution rates from 3.0% - 7.0%.

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 7 - PENSION AND OTHER POSTEMPLOYMENT BENEFITS (continued)**

Pension Reform 2010

On May 19, 2010, the Governor signed Public Act 75 of 2010 into law. As a result, any member of the Michigan Public School Employees' Retirement System (MPSERS) who became a member of MPSERS after June 30, 2010 is a Pension Plus member. Pension Plus is a hybrid plan that contains a pension component with an employee contribution (graded, up to 6.4% of salary) and a flexible and transferable defined contribution (DC) tax-deferred investment account that earns an employer match of 50% (up to 1% of salary) on employee contributions. Retirement benefits for Pension Plus members are determined by final average compensation and years of service. Disability and survivor benefits are available to Pension Plus members.

Pension Reform 2012

On September 4, 2012, the Governor signed Public Act 300 of 2012 into law. The legislation grants all active members who first became a member before July 1, 2010 and who earned service credit in the 12 months ending September 3, 2012 or were on an approved professional services or military leave of absence on September 3, 2012, a voluntary election regarding their pension. Any changes to a member's pension are effective as of the member's *transition date*, which is defined as the first day of the pay period that begins on or after February 1, 2013.

Under the reform, members voluntarily chose to increase, maintain, or stop their contributions to the pension fund.

An amount determined by the member's election of Option 1, 2, 3, or 4 described below:

Option 1 - Members voluntarily elected to increase their contributions to the pension fund as noted below and retain the 1.5% pension factor in their pension formula. The increased contribution would begin as of their transition date and continue until they terminate public school employment.

- Basic Plan Members: 4% contribution
- Member Investment Plan (MIP)-Fixed, MIP-Graded, and MIP-Plus members: a flat 7% contribution

Option 2 - Members voluntarily elected to increase their contribution to the pension fund as stated in Option 1 and retain the 1.5% pension factor in their pension formula. The increased contribution would begin as of their transition date and continue until they reach 30 years of service. If and when they reach 30 years of service, their contribution rates will return to the previous level in place as of the day before their transient date (0% for Basic plan members, 3.9% for MIP-Fixed, up to 4.3% for MIP-Graded, or up to 6.4% for MIP-Plus). The pension formula for any service thereafter would include a 1.25% pension factor.

Option 3 - Members voluntarily elected not to increase their contribution to the pension fund and maintain their current level of contribution to the pension fund. The pension formula for their years of service as of the day before their transition date will include a 1.5% pension factor. The pension formula for any service thereafter will include a 1.25% pension factor.

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 7 - PENSION AND OTHER POSTEMPLOYMENT BENEFITS (continued)**

Pension Reform 2012 (continued)

Option 4 - Members voluntarily elected to no longer contribute to the pension fund and therefore are switched to the Defined Contribution plan for future service as of their transition date. As a DC participant they receive a 4% employer contribution to the tax-deferred 401(k) account and can choose to contribute up to the maximum amounts permitted by the IRS to a 457 account. They vest in employer contributions and related earnings in their 401(k)-account based on the following schedule: 50% at 2 years, 75% at 3 years, and 100% at 4 years of service. They are 100% vested in any personal contributions and related earnings in their 457 account. Upon retirement, if they meet age and service requirements (including their total years of service), they would also receive a pension (calculated based on years of service and final average compensation as of the day before their transition date and a 1.5% pension factor).

Members who did not make an election before the deadline defaulted to Option 3 as described above. Deferred or nonvested public school employees on September 3, 2012, who return to public school employment on or after September 4, 2012, will be considered as if they had elected Option 3 above. Returning members who made the retirement plan election will retain whichever option they chose.

Employees who first work on or after September 4, 2012 choose between two retirement plans: The Pension Plus Plan and a Defined Contribution that provides a 50% employer match up to 3% of salary on employee contributions.

Final Average Compensation (FAC) - Average of highest 60 consecutive months for Basic Plan members and Pension Plus members (36 months for MIP members). FAC is calculated as of the last day worked unless the member elected Option 4, in which case the FAC is calculated at the transition date.

Pension Reform of 2017

On July 13, 2017, the Governor signed Public Act 92 of 2017 into law. The legislation closed the Pension Plus plan to newly hired employees as of February 1, 2018 and created a new, optional Pension Plus 2 plan with similar plan benefit calculations but containing a 50/50 cost share between the employee and the employer, including the cost of future unfunded liabilities. The assumed rate of return on the Pension Plus 2 plan is 6%. Further, under certain adverse actuarial conditions, the Pension Plus 2 plan will close to new employees if the actuarial funded ratio falls below 85% for two consecutive years. The law included other provisions to the retirement eligibility age, plan assumptions, and unfunded liability payment methods.

New employees hired between February 1, 2018 and June 30, 2024, are automatically enrolled as members in the Pension Plus 2 plan as of their date of hire. They have 75 days from the last day of their first pay period, as reported to ORS, to elect to opt out of the Pension Plus 2 plan and become a qualified participant to the DC plan; if no election is made they will default to the DC plan. If they elect to opt out of the Pension Plus 2 plan, their participation in the DC plan will be retroactive to their date of hire.

Pension Reform of 2023

On November 29, 2023, the Governor signed Public Act 250 of 2023 into law. New employees hired after June 30, 2024, are automatically enrolled as members in the Pension Plus 2 plan as of their date of hire. They have 75 days from the last day of their first pay period, as reported to ORS, to elect to opt out of the Pension Plus 2 plan and become a qualified participant in the DC plan; if no election is made they will remain in the Pension Plus 2 plan. If they elect to opt out of the Pension Plus 2 plan, their participation in the DC plan will be retroactive to their date of hire.

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 7 - PENSION AND OTHER POSTEMPLOYMENT BENEFITS (continued)**

Benefits Provided - Other Postemployment Benefit (OPEB)

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

Retiree Healthcare Reform of 2012

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

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

Regular Retirement (no reduction factor for age)

Eligibility - A Basic plan member may retire at age 55 with 30 years credited service; or age 60 with 10 years credited service. For Member Investment Plan (MIP) members, age 46 with 30 years credited service; or age 60 with 10 years credited service; or age 60 with 5 years of credited service provided member worked through 60<sup>th</sup> birthday and has credited service in each of the last 5 years. For Pension Plus Plan (PPP) members, age 60 with 10 years of credited service.

Annual Amount - The annual pension is paid monthly for the lifetime of a retiree. The calculation of a member's pension is determined by their pension election under PA 300 of 2012.

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 7 - PENSION AND OTHER POSTEMPLOYMENT BENEFITS (continued)**

Member Contributions

Depending on the plan selected, member contributions range from 0% - 7% for pension and 0% - 3% for other postemployment benefits. Plan members electing the Defined Contribution plan are not required to make additional contributions.

Employer Contributions

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

Employer contributions to the System are determined on an actuarial basis using the entry age normal actuarial cost method. Under this method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated on a level basis over the service of the individual between entry age and assumed exit age. The normal cost is the annual cost assigned under the actuarial funding method, to the current and subsequent plan years. The remainder is called the actuarial accrued liability. Normal cost is funded on a current basis.

Pension and OPEB contributions made in the fiscal year ending September 30, 2024 were determined as of the September 30, 2021 actuarial valuations. The pension and OPEB benefits, the unfunded (overfunded) actuarial accrued liabilities as of September 30, 2021 are amortized over a 15-year period beginning October 1, 2023 and ending September 30, 2038.

School districts' contributions are determined based on employee elections. There are several different benefit options included in the plan available to employees based on date of hire. Contribution rates are adjusted annually by the ORS. The range of rates is as follows:

	Pension	Other Postemployment Benefit
October 1, 2024 - September 30, 2025	20.96% - 30.11%	0.00% - 1.25%
October 1, 2023 - September 30, 2024	13.90% - 23.03%	7.06% - 8.31%

The District's pension contributions for the year ended June 30, 2025 were equal to the required contribution total. Total pension contributions were approximately \$14,528,000. Of the total pension contributions approximately \$14,056,000 was contributed to fund the Defined Benefit Plan and approximately \$472,000 was contributed to fund the Defined Contribution Plan.

The District's OPEB contributions for the year ended June 30, 2025 were equal to the required contribution total. Total OPEB contributions were approximately \$463,000. Of the total OPEB contributions approximately \$181,000 was contributed to fund the Defined Benefit Plan and approximately \$282,000 was contributed to fund the Defined Contribution Plan.

These amounts, for both pension and OPEB benefit, include contributions funded from State Revenue Section 147c restricted to fund the MPSERS Unfunded Actuarial Accrued Liability (UAAL) Stabilization Rate (100% for pension and 0% for OPEB).

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 7 - PENSION AND OTHER POSTEMPLOYMENT BENEFITS (continued)**

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

*Pension Liabilities*

The net pension liability was measured as of September 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation date of September 30, 2023 and rolled-forward using generally accepted actuarial procedures. The 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.

<u>MPSERS (Plan) Non-university Employers</u>	<u>September 30, 2024</u>	<u>September 30, 2023</u>
Total pension liability	\$ 95,765,499,515	\$ 94,947,828,557
Plan fiduciary net position	\$ 71,283,482,728	\$ 62,581,762,238
Net pension liability	\$ 24,482,016,787	\$ 32,366,066,319
Proportionate share	0.31549%	0.31556%
Net pension liability for the District	\$ 77,238,939	\$ 102,134,550

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

For the year ended June 30, 2025, the District recognized pension expense of \$7,111,698.

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Change of assumptions	\$ 8,052,617	\$ 5,659,171
Net difference between projected and actual earnings on pension plan investments	-	14,740,464
Differences between expected and actual experience	2,095,547	839,212
Changes in proportion and differences between employer contributions and proportionate share of contributions	678,918	577,454
Reporting Unit's contributions subsequent to the measurement date	<u>13,027,563</u>	<u>-</u>
	<u>\$ 23,854,645</u>	<u>\$ 21,816,301</u>

\$13,027,563, reported as deferred outflows of resources related to pensions resulting from District employer contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the subsequent fiscal year.

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 7 - PENSION AND OTHER POSTEMPLOYMENT BENEFITS (continued)**

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

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

Other amounts reported as deferred outflows of resources and (deferred inflows) of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Amount
2026	\$ (2,175,621)
2027	557,946
2028	(5,501,463)
2029	(3,870,081)

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

*OPEB Liabilities (Assets)*

The net OPEB liability (asset) was measured as of September 30, 2024, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation date of September 30, 2023 and rolled-forward using generally accepted actuarial procedures. The District's proportion of the net OPEB liability (asset) was based on a projection of its long-term share of contributions to the OPEB plan relative to the projected contributions of all participating reporting units, actuarially determined.

<u>MPERS (Plan) Non-university Employers</u>	<u>September 30, 2024</u>	<u>September 30, 2023</u>
Total other postemployment benefit liability	\$ 9,991,545,923	\$ 11,223,648,949
Plan fiduciary net position	\$ 14,295,943,589	\$ 11,789,347,341
Net other postemployment benefit liability (asset)	\$ (4,304,397,666)	\$ (565,698,392)
Proportionate share	0.31491%	0.31511%
Net other postemployment benefit liability (asset) for the District	\$ (13,555,098)	\$ (1,782,556)

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

For the year ended June 30, 2025, the District recognized OPEB benefit of \$4,687,988.

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 7 - PENSION AND OTHER POSTEMPLOYMENT BENEFITS (continued)**

OPEB Liabilities (Assets), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (continued)

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (continued)*

At June 30, 2025, the Reporting Unit 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
Changes of assumptions	\$ 2,960,629	\$ 340,300
Net difference between projected and actual earnings on OPEB plan investments	-	2,566,136
Differences between expected and actual experience	-	14,364,265
Changes in proportion and differences between employer contributions and proportionate share of contributions	273,388	230,496
Reporting Unit's contributions subsequent to the measurement date	83,754	-
	\$ 3,317,771	\$ 17,501,197

\$83,754, reported as deferred outflows of resources related to OPEB resulting from District employer contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability (asset) in the subsequent fiscal year.

Other amounts reported as deferred outflows of resources and (deferred inflows) of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30,	Amount
2026	\$ (4,565,252)
2027	(2,826,218)
2028	(2,742,237)
2029	(2,503,240)
2030	(1,371,568)
2031	(258,665)

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 7 - PENSION AND OTHER POSTEMPLOYMENT BENEFITS (continued)**

Actuarial Assumptions

**Investment Rate of Return for Pension** - 6.00% a year, compounded annually net of investment and administrative expenses for the MIP, Basic, Pension Plus, and Pension Plus 2 Plan groups.

**Investment Rate of Return for OPEB** - 6.00% a year, compounded annually net of investment and administrative expenses.

**Salary Increases** - The rate of pay increase used for individual members is 2.75% - 11.55%, including wage inflation at 2.75%.

**Inflation** - 3.0%.

**Mortality Assumptions -**

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

*Active:* PubT-2010 Male and Female Employee Mortality Tables scaled 100% and MP-202 adjusted for mortality improvements using projection scale from 2010.

*Disabled Retirees:* PubNS-2010 Male and Female Disabled Retiree Mortality Tables scaled 100% and adjusted for mortality improvements using projection scale MP-2021 from 2010.

**Experience Study** - Assumption changes as a result of an experience study for the periods 2017 through 2022 have been adopted by the System for use in the determination of the total pension and OPEB liability beginning with the September 30, 2023 valuation.

**The Long-Term Expected Rate of Return on Pension and Other Postemployment Benefit Plan Investments** - The pension rate was 6.00% (MIP, Basic, Pension Plus Plan, and Pension Plus 2 Plan), and the other postemployment benefit rate was 6.00%, net of investment and administrative expenses was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension and OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

**Cost of Living Pension Adjustments** - 3.0% annual non-compounded for MIP members.

**Healthcare Cost Trend Rate for Other Postemployment Benefit** - Pre 65, 7.25% for year one and graded to 3.5% in year fifteen. Post 65, 6.50% for year one and graded to 3.5% in year fifteen.

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 7 - PENSION AND OTHER POSTEMPLOYMENT BENEFITS (continued)**

Actuarial Assumptions (continued)

**Additional Assumptions for Other Postemployment Benefit Only** - Applies to Individuals Hired Before September 4, 2012:

Opt Out Assumption - 21% of eligible participants hired before July 1, 2008 and 30% of those hired after June 30, 2008 are assumed to opt out of the retiree health plan.

Survivor Coverage - 80% of male retirees and 67% of female retirees are assumed to have coverage continuing after the retiree's death.

Coverage Election at Retirement - 75% of male and 60% of female future retirees are assumed to elect coverage for 1 or more dependents.

The target asset allocation at September 30, 2024 and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

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

\* Long term rate of return are net of administrative expenses and 2.3% inflation.

**Rate of Return** - For fiscal year ended September 30, 2024, the annual money-weighted rate of return on pension and OPEB plan investments, net of pension and OPEB plan investment expense, was 15.47% and 15.45% respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 7 - PENSION AND OTHER POSTEMPLOYMENT BENEFITS (continued)**

Actuarial Assumptions (continued)

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

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate** - The following presents the Reporting Unit's proportionate share of the net pension liability calculated using a single discount rate of 6.00%, as well as what the Reporting Unit's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Pension		
	1% Decrease	Discount Rate	1% Increase
Reporting Unit's proportionate share of the net pension liability	<u>\$ 113,233,115</u>	<u>\$ 77,238,939</u>	<u>\$ 47,266,863</u>

**Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate** - The following presents the Reporting Unit's proportionate share of the net OPEB liability (asset) calculated using a single discount rate of 6.00%, as well as what the Reporting Unit's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	Other Postemployment Benefit		
	1% Decrease	Discount Rate	1% Increase
Reporting Unit's proportionate share of the net other postemployment benefit liability (asset)	<u>\$ (10,475,492)</u>	<u>\$ (13,555,098)</u>	<u>\$ (16,217,744)</u>

**Sensitivity to the Net OPEB Liability (Asset) to Changes in the Healthcare Cost Trend Rates** - The following presents the Reporting Unit's proportionate share of the net other postemployment benefit liability (asset) calculated using the healthcare cost trend rate, as well as what the Reporting Unit's proportionate share of the net other postemployment benefit liability (asset) would be if it were calculated using a healthcare cost trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Other Postemployment Benefit		
	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Reporting Unit's proportionate share of the net other postemployment benefit liability (asset)	<u>\$ (16,217,773)</u>	<u>\$ (13,555,098)</u>	<u>\$ (10,699,395)</u>

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 7 - PENSION AND OTHER POSTEMPLOYMENT BENEFITS (continued)**

Pension and OPEB Plan Fiduciary Net Position

Detailed information about the pension and OPEB's fiduciary net position is available in the separately issued Michigan Public School Employees Retirement System Annual Comprehensive Financial Report.

**Payable to the Pension and OPEB Plan** - At year end the School District is current on all required pension and other postemployment benefit plan payments. Amounts accrued at year end for accounting purposes are separately stated in the financial statements as a liability titled accrued retirement. These amounts represent current payments for June paid in July, accruals for summer pay primarily for teachers, and the contributions due from State Revenue Section 147c restricted to fund the MPSERS Unfunded Actuarial Accrued Liability (UAAL).

**NOTE 8 - COMMITMENTS AND CONTINGENCIES**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time although the District believes such amounts, if any, would be immaterial.

**NOTE 9 - RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. With regard to injuries to employees, the District participates in an association of educational institutions within the State of Michigan for self-insuring workers disability compensation. The association is considered a public entity risk sharing pool. The District pays annual premiums to the association for its workers' disability compensation coverage. In the event the association's total claims and expenses for a policy year exceeded the total normal annual premiums for said years, all members of the policy year may be subject to special assessment to make up the difference. The association maintains reinsurance for claims in excess of \$500,000 for each occurrence with the overall maximum coverage being unlimited. The District has not been informed of any special assessments being required. This program is recorded in the general fund. The District continues to carry commercial insurance for other risks of loss, including employee health and accident insurance.

Self-funded dental and vision insurance programs were approved by the Board of Education and implemented for support personnel. All plans have limits on amounts for expenditures that will be reimbursed. This program is recorded in the general fund. Any liability for incurred and unreported claims is not considered material.

Settlements have not exceeded coverage for each of the past three fiscal years. Changes in the balances of claims liabilities during the past 3 years have been immaterial.

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 10 - TRANSFERS**

Interfund transfers for the fiscal year ended June 30, 2025 are as follows:

	General Fund	Transfers in Nonmajor Governmental Funds	Total
Transfers out			
General fund	\$ -	\$ 17,035	\$ 17,035
Nonmajor Governmental Funds	80,000	-	80,000
 Total	 \$ 80,000	 \$ 17,035	

During the year, transfers are used to: (1) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them; (2) move receipts restricted to or allowed for debt service from the funds collecting the receipts to the debt service fund as debt service payments become due; and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in the other funds in accordance with budgetary authorizations.

Further, during the year ended June 30, 2025, Okemos Public Schools made the following one-time transfers:

- A transfer of \$80,000 from the food service fund to the general fund for indirect cost expenditure reimbursement.
- A transfer of \$17,035 from the general fund to various non major funds for capital and bond related expenditures.

**NOTE 11 - TAX ABATEMENTS**

The District is required to disclose significant tax abatements as required by GASB Statement No. 77, *Tax Abatements*.

The District receives reduced property tax revenues as a result of Industrial Facilities Tax exemptions, Brownfield Redevelopment Agreements, and Payments in Lieu of Taxes (PILOT) granted by cities, villages and townships. Industrial facility exemptions are intended to promote construction of new industrial facilities, or to rehabilitate historical facilities; Brownfield Redevelopment Agreements are intended to reimburse taxpayers that remediate environmental contamination on their properties; PILOT programs apply to multiple unit housing for citizens of low income and the elderly. The property taxes abated for all funds by municipality under these programs are as follows:

Municipality	Taxes Abated
Meridian Township	\$ 125,348

The taxes abated for the general fund operating millage is considered by the State of Michigan when determining the District's section 22 funding of the State School Aid Act.

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 12 - UPCOMING ACCOUNTING PRONOUNCEMENTS**

In April 2024, the GASB issued Statement No. 103, *Financial Reporting Model Improvements*. This Statement establishes new accounting and financial reporting requirements - or modifies existing requirements - related to the following:

- a. Management's discussion and analysis (MD&A);
  - i. Requires that the information presented in MD&A be limited to the related topics discussed in five specific sections:
    - 1) Overview of the Financial Statements,
    - 2) Financial Summary,
    - 3) Detailed Analyses,
    - 4) Significant Capital Asset and Long-Term Financing Activity,
    - 5) Currently Known Facts, Decisions, or Conditions;
  - ii. Stresses detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed;
  - iii. Removes the requirement for discussion of significant variations between original and final budget amounts and between final budget amounts and actual results;
- b. Unusual or infrequent items;
- c. Presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position;
  - i. Requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses and clarifies the definition of operating and nonoperating revenues and expenses;
  - ii. Requires that a subtotal for *operating income (loss) and noncapital subsidies* be presented before reporting other nonoperating revenues and expenses and defines subsidies;
- d. Information about major component units in basic financial statements should be presented separately in the statement of net position and statement of activities unless it reduces the readability of the statements in which case combining statements of should be presented after the fund financial statements;
- e. Budgetary comparison information should include variances between original and final budget amounts and variances between final budget and actual amounts with explanations of significant variances required to be presented in the notes to RSI.

The District is currently evaluating the impact this standard will have on the financial statements when adopted during the 2025-2026 fiscal year.

In September 2024, the GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement No. 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. This Statement also requires additional disclosures for capital assets held for sale. The District is currently evaluating the impact this standard will have on the financial statements when adopted during the 2025-2026 fiscal year.

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 13 - CHANGE IN ACCOUNTING PRINCIPLE**

For the year ended June 30, 2025, the District implemented GASB Statement No. 101, *Compensated Absences*.

**Summary:** This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee’s pay rate as of the date of the financial statements.

**NOTE 14 - ADJUSTMENTS TO BEGINNING NET POSITION**

During fiscal year 2025, changes to beginning net position, are as follows:

	Governmental Activities	
	Net Position	Compensated Absences
Balance as of July 1, 2024, as previously stated	\$ (27,754,785)	\$ 3,232,785
Adoption of GASB Statement 101	(1,043,331)	1,043,331
Balance as of July 1, 2024 as restated	\$ (28,798,116)	\$ 4,276,116

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**REQUIRED SUPPLEMENTARY INFORMATION**

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**OKEMOS PUBLIC SCHOOLS  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
YEAR ENDED JUNE 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Local sources	\$ 18,261,798	\$ 19,356,765	\$ 19,409,013	\$ 52,248
State sources	50,646,868	51,370,962	49,965,106	(1,405,856)
Federal sources	1,073,771	1,011,521	891,838	(119,683)
<b>TOTAL REVENUES</b>	<b>69,982,437</b>	<b>71,739,248</b>	<b>70,265,957</b>	<b>(1,473,291)</b>
<b>EXPENDITURES</b>				
Current				
Instruction				
Basic programs	32,474,673	32,958,209	32,490,064	468,145
Added needs	9,289,678	9,309,622	8,839,010	470,612
Total instruction	<b>41,764,351</b>	<b>42,267,831</b>	<b>41,329,074</b>	<b>938,757</b>
Supporting services				
Pupil	5,881,408	5,807,016	5,908,868	(101,852)
Instructional staff	4,037,823	3,563,347	3,359,359	203,988
General administration	779,456	852,714	860,719	(8,005)
School administration	4,005,073	3,911,634	3,916,118	(4,484)
Business	994,185	1,008,237	1,033,951	(25,714)
Operations and maintenance	5,684,078	7,447,833	7,286,364	161,469
Transportation	1,419,905	1,398,084	1,391,818	6,266
Central	2,417,078	2,488,210	2,454,440	33,770
Athletics	900,947	1,009,449	1,004,117	5,332
Total supporting services	<b>26,119,953</b>	<b>27,486,524</b>	<b>27,215,754</b>	<b>270,770</b>
Community services	3,279,997	3,687,162	3,382,813	304,349
Interdistrict transactions	-	9,600	9,600	-
Capital outlay	-	30,000	28,057	1,943
Debt Service				
Principal repayment	9,153	63,448	59,161	4,287
Interest	747	7,685	7,083	602
Total debt service	<b>9,900</b>	<b>71,133</b>	<b>66,244</b>	<b>4,889</b>
<b>TOTAL EXPENDITURES</b>	<b>71,174,201</b>	<b>73,552,250</b>	<b>72,031,542</b>	<b>1,520,708</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(1,191,764)</b>	<b>(1,813,002)</b>	<b>(1,765,585)</b>	<b>47,417</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	80,000	80,000	80,000	-
Transfers out	-	-	(17,035)	(17,035)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>80,000</b>	<b>80,000</b>	<b>62,965</b>	<b>(17,035)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (1,111,764)</b>	<b>\$ (1,733,002)</b>	<b>(1,702,620)</b>	<b>\$ 30,382</b>
<b>FUND BALANCE</b>				
Beginning of year			10,928,320	
End of year			<u>\$ 9,225,700</u>	

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**OKEMOS PUBLIC SCHOOLS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE REPORTING UNIT'S PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY  
MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT PLAN  
LAST TEN FISCAL YEARS (DETERMINED AS OF THE PLAN YEAR ENDED SEPTEMBER 30)**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Reporting Unit's proportion of net pension liability (%)	0.31549%	0.31556%	0.31377%	0.31378%	0.30913%	0.30204%	0.29781%	0.29446%	0.28402%	0.27502%
Reporting Unit's proportionate share of net pension	\$ 77,238,939	\$ 102,134,550	\$ 118,003,532	\$ 73,405,268	\$ 106,189,243	\$ 100,024,383	\$ 89,526,314	\$ 76,307,692	\$ 70,861,622	\$ 67,174,817
Reporting Unit's covered-employee payroll	\$ 33,323,639	\$ 31,537,299	\$ 30,631,496	\$ 28,065,403	\$ 27,818,733	\$ 26,737,156	\$ 25,503,566	\$ 25,027,904	\$ 24,336,762	\$ 22,962,203
Reporting Unit's proportionate share of net pension as a percentage of its covered-employee payroll	231.78%	323.85%	385.24%	261.55%	381.72%	374.10%	351.03%	304.89%	291.17%	292.55%
Plan fiduciary net position as a percentage of total pension liability (Non-university employers)	74.44%	65.91%	60.77%	72.60%	59.72%	60.31%	62.36%	64.21%	63.27%	63.17%

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**OKEMOS PUBLIC SCHOOLS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE REPORTING UNIT'S PENSION CONTRIBUTIONS  
MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT PLAN  
LAST TEN FISCAL YEARS (DETERMINED AS OF THE YEAR ENDED JUNE 30)**

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Statutorily required contributions	\$ 14,055,687	\$ 13,093,983	\$ 14,322,599	\$ 10,303,088	\$ 9,079,868	\$ 8,356,210	\$ 7,889,595	\$ 7,849,263	\$ 6,885,428	\$ 6,193,998
Contributions in relation to statutorily required contributions	<u>14,055,687</u>	<u>13,093,983</u>	<u>14,322,599</u>	<u>10,303,088</u>	<u>9,079,868</u>	<u>8,356,210</u>	<u>7,889,595</u>	<u>7,849,263</u>	<u>6,885,428</u>	<u>6,193,998</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reporting Unit's covered-employee payroll	\$ 34,628,310	\$ 32,882,072	\$ 30,975,699	\$ 29,284,255	\$ 27,770,543	\$ 27,754,219	\$ 26,507,293	\$ 25,450,771	\$ 25,807,538	\$ 23,952,924
Contributions as a percentage of covered-employee payroll	40.59%	39.82%	46.24%	35.18%	32.70%	30.11%	29.76%	30.84%	26.68%	25.86%

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**OKEMOS PUBLIC SCHOOLS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE REPORTING UNIT'S PROPORTIONATE SHARE  
OF THE NET OPEB LIABILITY (ASSET)  
MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT PLAN  
LAST TEN FISCAL YEARS (DETERMINED AS OF PLAN YEAR ENDED SEPTEMBER 30)**

	2024	2023	2022	2021	2020	2019	2018	2017
Reporting Unit's proportion of net OPEB liability (%)	0.31491%	0.31511%	0.31504%	0.31016%	0.31348%	0.30542%	0.29991%	0.29436%
Reporting Unit's proportionate share of net OPEB (asset) liability	\$ (13,555,098)	\$ (1,782,556)	\$ 6,672,724	\$ 4,734,265	\$ 16,794,102	\$ 21,922,632	\$ 23,839,817	\$ 26,066,532
Reporting Unit's covered-employee payroll	\$ 33,323,639	\$ 31,537,299	\$ 30,631,496	\$ 28,065,403	\$ 27,818,733	\$ 26,737,156	\$ 25,503,566	\$ 25,027,904
Reporting Unit's proportionate share of net OPEB liability (asset) as a percentage of its covered-employee payroll	40.68%	5.65%	21.78%	16.87%	60.37%	81.99%	93.48%	104.15%
Plan fiduciary net position as a percentage of total OPEB liability (Non-university employers)	143.08%	105.04%	83.09%	87.33%	59.44%	48.48%	42.95%	36.39%

This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, The District presents information for those years for which information is available.

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**OKEMOS PUBLIC SCHOOLS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE REPORTING UNIT'S OPEB CONTRIBUTIONS  
MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT PLAN  
LAST TEN FISCAL YEARS (DETERMINED AS OF THE YEAR ENDED JUNE 30)**

	2025	2024	2023	2022	2021	2020	2019	2018
Statutorily required contributions	\$ 181,319	\$ 2,825,377	\$ 2,540,790	\$ 2,402,148	\$ 2,377,660	\$ 2,356,668	\$ 2,182,909	\$ 2,217,970
Contributions in relation to statutorily required contributions	181,319	2,825,377	2,540,790	2,402,148	2,377,660	2,356,668	2,182,909	2,217,970
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reporting Unit's covered-employee payroll	\$ 34,628,310	\$ 32,882,072	\$ 30,975,699	\$ 29,284,255	\$ 27,770,543	\$ 27,754,219	\$ 26,507,293	\$ 25,450,771
Contributions as a percentage of covered-employee payroll	0.52%	8.59%	8.20%	8.20%	8.56%	8.49%	8.24%	8.71%

This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, the District presents information for those years for which information is available.

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2025**

**NOTE 1 - PENSION INFORMATION**

Benefit Changes

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

Changes in Assumptions

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

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

**NOTE 2 - OPEB INFORMATION**

Benefit Changes

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

Changes in Assumptions

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

- 2024 - The health care cost trend rate used in the September 30, 2023 actuarial valuation decreased by 0.25 percentage points for members under 65 and increased by 0.25 percentage point for members over 65.
- 2023 - The health care cost trend rate used in the September 30, 2022 actuarial valuation decreased by 0.25 percentage points for members under 65 and increased by 1.00 percentage point for members over 65. In addition, actual per person health benefit costs were lower than projected. The valuation includes the impact of an updated experience study for periods from 2017 to 2022.

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
YEAR ENDED JUNE 30, 2025**

**NOTE 2 - OPEB INFORMATION (continued)**

Changes in Assumptions (continued)

- 2022 - The discount rate and investment rate of return used in the September 30, 2021 actuarial valuation decreased by 0.95 percentage points. This resulted in lower than projected per person health benefit costs to reduce the plan's total OPEB liability by an additional \$1.1 billion in 2022.
- 2021 - The health care cost trend rate used in the September 30, 2020 actuarial valuation increased by 0.75 percentage points for members 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 and actual per person health benefit costs were lower than projected. This reduced the plan's total OPEB liability by \$1.8 billion in 2020.
- 2019 - The discount rate used in the September 30, 2018 actuarial valuation decreased by 0.20 percentage points. The valuation also includes the impact of an updated experience study for periods from 2012 to 2017. This resulted in 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 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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**ADDITIONAL SUPPLEMENTARY INFORMATION**

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**OKEMOS PUBLIC SCHOOLS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUND TYPES  
JUNE 30, 2025**

	Special Revenue		Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Funds
	Food Service Fund	Student/ School Activities Fund			
<b>ASSETS</b>					
Cash and cash equivalents	\$ 1,009,316	\$ 877,769	\$ 867,303	\$ 703,835	\$ 3,458,223
Investments	-	-	-	3,171,215	3,171,215
Property taxes and other receivables	9,600	-	8,218	-	17,818
Due from other governments	231,467	-	8,443	-	239,910
Due from other funds	28,822	-	3,516	17,035	49,373
Inventories	44,404	-	-	-	44,404
<b>TOTAL ASSETS</b>	<b>\$ 1,323,609</b>	<b>\$ 877,769</b>	<b>\$ 887,480</b>	<b>\$ 3,892,085</b>	<b>\$ 6,980,943</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ 2,194	\$ -	\$ -	\$ 54,587	\$ 56,781
Accrued salaries and related items	6,610	-	-	-	6,610
Accrued retirement	1,925	-	-	-	1,925
Due to other funds	-	51,389	-	149,481	200,870
Unearned revenue	89,589	-	-	-	89,589
<b>TOTAL LIABILITIES</b>	<b>100,318</b>	<b>51,389</b>	<b>-</b>	<b>204,068</b>	<b>355,775</b>
<b>FUND BALANCES</b>					
<b>Nonspendable</b>					
Inventories	44,404	-	-	-	44,404
<b>Restricted for:</b>					
Debt service	-	-	887,480	-	887,480
Capital projects	-	-	-	3,375,151	3,375,151
Food service	1,178,887	-	-	-	1,178,887
<b>Committed for:</b>					
Student/school activities	-	826,380	-	-	826,380
<b>Assigned for:</b>					
Capital projects	-	-	-	312,866	312,866
<b>TOTAL FUND BALANCES</b>	<b>1,223,291</b>	<b>826,380</b>	<b>887,480</b>	<b>3,688,017</b>	<b>6,625,168</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,323,609</b>	<b>\$ 877,769</b>	<b>\$ 887,480</b>	<b>\$ 3,892,085</b>	<b>\$ 6,980,943</b>

**Draft  
Subject to Change**

**OKEMOS PUBLIC SCHOOLS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUND TYPES  
YEAR ENDED JUNE 30, 2025**

	Special Revenue		Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Funds
	Food Service Fund	Student/ School Activities Fund			
<b>REVENUES</b>					
Local sources					
Property taxes	\$ -	\$ -	\$ 11,621,324	\$ 1,620,367	\$ 13,241,691
Investment earnings	8,610	-	98,420	153,783	260,813
Food service sales	199,990	-	-	-	199,990
Student/school activity income	-	1,264,113	-	-	1,264,113
Other	-	-	-	30,012	30,012
<b>Total local sources</b>	<b>208,600</b>	<b>1,264,113</b>	<b>11,719,744</b>	<b>1,804,162</b>	<b>14,996,619</b>
State sources	1,783,781	-	89,461	12,589	1,885,831
Federal sources	1,027,342	-	-	-	1,027,342
<b>TOTAL REVENUES</b>	<b>3,019,723</b>	<b>1,264,113</b>	<b>11,809,205</b>	<b>1,816,751</b>	<b>17,909,792</b>
<b>EXPENDITURES</b>					
Food service	2,849,187	-	-	-	2,849,187
Student/school activities	-	1,211,207	-	-	1,211,207
Capital outlay	23,067	-	-	1,437,090	1,460,157
Debt service:					
Principal repayment	-	-	7,315,000	-	7,315,000
Interest	-	-	4,356,244	-	4,356,244
Miscellaneous	-	-	1,625	-	1,625
<b>TOTAL EXPENDITURES</b>	<b>2,872,254</b>	<b>1,211,207</b>	<b>11,672,869</b>	<b>1,437,090</b>	<b>17,193,420</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>147,469</b>	<b>52,906</b>	<b>136,336</b>	<b>379,661</b>	<b>716,372</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	17,035	17,035
Transfers out	(80,000)	-	-	-	(80,000)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(80,000)</b>	<b>-</b>	<b>-</b>	<b>17,035</b>	<b>(62,965)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>67,469</b>	<b>52,906</b>	<b>136,336</b>	<b>396,696</b>	<b>653,407</b>
<b>FUND BALANCES</b>					
Beginning of year	1,155,822	773,474	751,144	3,291,321	5,971,761
End of year	<u>\$ 1,223,291</u>	<u>\$ 826,380</u>	<u>\$ 887,480</u>	<u>\$ 3,688,017</u>	<u>\$ 6,625,168</u>

**Draft  
Subject to Change**

**OKEMOS PUBLIC SCHOOLS  
 COMBINING BALANCE SHEET  
 CAPITAL PROJECTS FUNDS  
 JUNE 30, 2025  
 (with comparative totals for the year ended 2024)**

	Capital Projects		Totals	
	Fund	Sinking Fund	2025	2024
<b>ASSETS</b>				
Cash and cash equivalents	\$ 295,831	\$ 408,004	\$ 703,835	\$ 651,529
Investments	-	3,171,215	3,171,215	2,634,907
Due from other funds	17,035	-	17,035	17,371
<b>TOTAL ASSETS</b>	<b>\$ 312,866</b>	<b>\$ 3,579,219</b>	<b>\$ 3,892,085</b>	<b>\$ 3,303,807</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ 54,587	\$ 54,587	\$ 12,486
Due to other funds	-	149,481	149,481	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>204,068</b>	<b>204,068</b>	<b>12,486</b>
<b>FUND BALANCES</b>				
Restricted	-	3,375,151	3,375,151	3,018,713
Assigned	312,866	-	312,866	272,608
<b>TOTAL FUND BALANCES</b>	<b>312,866</b>	<b>3,375,151</b>	<b>3,688,017</b>	<b>3,291,321</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 312,866</b>	<b>\$ 3,579,219</b>	<b>\$ 3,892,085</b>	<b>\$ 3,303,807</b>

**Draft  
 Subject to Change**

**OKEMOS PUBLIC SCHOOLS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
CAPITAL PROJECTS FUNDS  
YEAR ENDED JUNE 30, 2025  
(with comparative totals for the year ended 2024)**

	Capital Projects		Totals	
	Fund	Sinking Fund	2025	2024
<b>REVENUES</b>				
Local sources				
Property taxes	\$ -	\$ 1,620,367	\$ 1,620,367	\$ 1,543,249
Investment earnings	5,751	148,032	153,783	170,560
Other	30,012	-	30,012	22,281
Total local sources	35,763	1,768,399	1,804,162	1,736,090
State sources	-	12,589	12,589	12,751
<b>TOTAL REVENUES</b>	<b>35,763</b>	<b>1,780,988</b>	<b>1,816,751</b>	<b>1,748,841</b>
<b>EXPENDITURES</b>				
Capital outlay	12,540	1,424,550	1,437,090	1,437,461
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>23,223</b>	<b>356,438</b>	<b>379,661</b>	<b>311,380</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	17,035	-	17,035	17,035
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>17,035</b>	<b>-</b>	<b>17,035</b>	<b>17,035</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>40,258</b>	<b>356,438</b>	<b>396,696</b>	<b>328,415</b>
<b>FUND BALANCES</b>				
Beginning of year	272,608	3,018,713	3,291,321	2,962,906
End of year	<u>\$ 312,866</u>	<u>\$ 3,375,151</u>	<u>\$ 3,688,017</u>	<u>\$ 3,291,321</u>

**Draft  
Subject to Change**

**OKEMOS PUBLIC SCHOOLS  
 COMBINING BALANCE SHEET  
 DEBT SERVICE FUNDS  
 JUNE 30, 2025  
 (with comparative totals for the year ended 2024)**

					<u>Totals</u>	
	2019 Debt Retirement	2021 Refunding Debt Service Fund	2023 Debt Retirement	2024 Debt Retirement	<u>2025</u>	<u>2024</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 277,752	\$ 163,614	\$ 54,887	\$ 371,050	\$ 867,303	\$ 748,485
Property taxes and other receivables	6,063	2,155	-	-	8,218	-
Due from other governments	-	-	499	7,944	8,443	-
Due from other funds	1,581	575	115	1,245	3,516	2,659
<b>TOTAL ASSETS</b>	<u>\$ 285,396</u>	<u>\$ 166,344</u>	<u>\$ 55,501</u>	<u>\$ 380,239</u>	<u>\$ 887,480</u>	<u>\$ 751,144</u>
<b>FUND BALANCES</b>						
Restricted for debt service	<u>\$ 285,396</u>	<u>\$ 166,344</u>	<u>\$ 55,501</u>	<u>\$ 380,239</u>	<u>\$ 887,480</u>	<u>\$ 751,144</u>

**Draft  
 Subject to Change**

**OKEMOS PUBLIC SCHOOLS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
DEBT SERVICE FUNDS  
YEAR ENDED JUNE 30, 2025  
(with comparative totals for the year ended 2024)**

					Totals	
	2019 Debt Retirement	2021 Refunding Debt Service Fund	2023 Debt Retirement	2024 Debt Retirement	2025	2024
<b>REVENUES</b>						
Local sources						
Property taxes	\$ 5,196,424	\$ 1,909,519	\$ 65,980	\$ 4,449,401	\$ 11,621,324	\$ 11,051,187
Investment earnings	54,904	18,913	4,123	20,480	98,420	155,428
Total local sources	<u>5,251,328</u>	<u>1,928,432</u>	<u>70,103</u>	<u>4,469,881</u>	<u>11,719,744</u>	<u>11,206,615</u>
State sources	<u>40,002</u>	<u>14,697</u>	<u>511</u>	<u>34,251</u>	<u>89,461</u>	<u>90,615</u>
TOTAL REVENUES	<u>5,291,330</u>	<u>1,943,129</u>	<u>70,614</u>	<u>4,504,132</u>	<u>11,809,205</u>	<u>11,297,230</u>
<b>EXPENDITURES</b>						
Principal repayment	5,090,000	1,940,000	-	285,000	7,315,000	10,040,000
Interest	254,500	13,386	250,050	3,838,308	4,356,244	1,003,928
Miscellaneous	514	12	514	585	1,625	1,619
TOTAL EXPENDITURES	<u>5,345,014</u>	<u>1,953,398</u>	<u>250,564</u>	<u>4,123,893</u>	<u>11,672,869</u>	<u>11,045,547</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(53,684)</u>	<u>(10,269)</u>	<u>(179,950)</u>	<u>380,239</u>	<u>136,336</u>	<u>251,683</u>
NET CHANGE IN FUND BALANCES	(53,684)	(10,269)	(179,950)	380,239	136,336	251,683
<b>FUND BALANCES</b>						
Beginning of year	<u>339,080</u>	<u>176,613</u>	<u>235,451</u>	<u>-</u>	<u>751,144</u>	<u>499,461</u>
End of year	<u>\$ 285,396</u>	<u>\$ 166,344</u>	<u>\$ 55,501</u>	<u>\$ 380,239</u>	<u>\$ 887,480</u>	<u>\$ 751,144</u>

**Draft  
Subject to Change**

**OKEMOS PUBLIC SCHOOLS  
GENERAL LONG-TERM DEBT  
BONDED DEBT SERVICE - PRINCIPAL AND INTEREST REQUIREMENTS  
YEAR ENDED JUNE 30, 2025**

Date	Name	Kind	Original Issue
02/09/23	2023 School building and site bonds (Series I)	General obligation	\$ 9,200,000

Purpose: The proceeds from the bonds will be used for the purpose of erecting, furnishing and equipping additions to a school building; erecting, furnishing and equipping a new middle school building as an addition to Chippewa Middle School; erecting, furnishing and equipping additions to school buildings; remodeling, equipping and re-equipping school buildings for instructional technology; purchasing school buses; and preparing, developing, improving and equipping playgrounds, play fields, athletic fields and facilities and sites.

Debt Service Fiscal Year June 30th	Interest Rate	Principal Due May 1	Interest Due		Total
			May 1	November 1	
2026	5.00%	\$ 125,000	\$ 125,025	\$ 125,025	\$ 375,050
2027	5.00%	165,000	121,900	121,900	408,800
2028	5.00%	190,000	117,775	117,775	425,550
2029	5.00%	220,000	113,025	113,025	446,050
2030	5.00%	245,000	107,525	107,525	460,050
2031	5.00%	270,000	101,400	101,400	472,800
2032	5.00%	295,000	94,650	94,650	484,300
2033	5.00%	315,000	87,275	87,275	489,550
2034	4.00%	330,000	79,400	79,400	488,800
2035	4.00%	345,000	72,800	72,800	490,600
2036	4.00%	355,000	65,900	65,900	486,800
2037	4.00%	370,000	58,800	58,800	487,600
2038	4.00%	390,000	51,400	51,400	492,800
2039	4.00%	405,000	43,600	43,600	492,200
2040	4.00%	420,000	35,500	35,500	491,000
2041	4.00%	435,000	27,100	27,100	489,200
2042	4.00%	450,000	18,400	18,400	486,800
2043	4.00%	470,000	9,400	9,400	488,800
		<u>\$ 5,795,000</u>	<u>\$ 1,330,875</u>	<u>\$ 1,330,875</u>	<u>\$ 8,456,750</u>

**Draft  
Subject to Change**

**OKEMOS PUBLIC SCHOOLS  
GENERAL LONG-TERM DEBT  
BONDED DEBT SERVICE - PRINCIPAL AND INTEREST REQUIREMENTS  
YEAR ENDED JUNE 30, 2025**

Date	Name	Kind	Original Issue
05/02/24	2023 School building and site bonds (Series II)	General obligation	<u>\$ 76,980,000</u>

Purpose: The proceeds from the bonds will be used for the purpose of erecting, furnishing and equipping additions to a school building; erecting, furnishing and equipping a new middle school building as an addition to Chippewa Middle School; erecting, furnishing and equipping additions to school buildings; remodeling, equipping and re-equipping school buildings for instructional technology; purchasing school buses; and preparing, developing, improving and equipping playgrounds, play fields, athletic fields and facilities and sites.

Debt Service Fiscal Year June 30th	Interest Rate	Principal Due May 1	Interest Due		
			May 1	November 1	Total
2026	5.00%	\$ 7,805,000	\$ 1,917,375	\$ 1,917,375	\$ 11,639,750
2027	5.00%	2,285,000	1,722,250	1,722,250	5,729,500
2028	5.00%	2,555,000	1,665,125	1,665,125	5,885,250
2029	5.00%	750,000	1,601,250	1,601,250	3,952,500
2030	5.00%	825,000	1,582,500	1,582,500	3,990,000
2031	5.00%	850,000	1,561,875	1,561,875	3,973,750
2032	5.00%	925,000	1,540,625	1,540,625	4,006,250
2033	5.00%	1,035,000	1,517,500	1,517,500	4,070,000
2034	5.00%	1,120,000	1,491,625	1,491,625	4,103,250
2035	5.00%	1,220,000	1,463,625	1,463,625	4,147,250
2036	5.00%	1,510,000	1,433,125	1,433,125	4,376,250
2037	5.00%	1,865,000	1,395,375	1,395,375	4,655,750
2038	5.00%	2,075,000	1,348,750	1,348,750	4,772,500
2039	5.00%	2,195,000	1,296,875	1,296,875	4,788,750
2040	5.00%	2,300,000	1,242,000	1,242,000	4,784,000
2041	5.00%	2,415,000	1,184,500	1,184,500	4,784,000
2042	5.00%	2,540,000	1,124,125	1,124,125	4,788,250
2043	5.00%	2,665,000	1,060,625	1,060,625	4,786,250
2044	5.00%	2,800,000	994,000	994,000	4,788,000
2045	5.00%	2,935,000	924,000	924,000	4,783,000
2046	5.00%	3,085,000	850,625	850,625	4,786,250
2047	5.00%	3,240,000	773,500	773,500	4,787,000
2048	5.00%	3,400,000	692,500	692,500	4,785,000
2049	5.00%	3,570,000	607,500	607,500	4,785,000
2050	5.00%	3,750,000	518,250	518,250	4,786,500
2051	5.00%	3,940,000	424,500	424,500	4,789,000
2052	5.00%	4,135,000	326,000	326,000	4,787,000
2053	5.00%	4,345,000	222,625	222,625	4,790,250
2054	5.00%	4,560,000	114,000	114,000	4,788,000
		<u>\$ 76,695,000</u>	<u>\$ 32,596,625</u>	<u>\$ 32,596,625</u>	<u>\$ 141,888,250</u>

**Draft  
Subject to Change**

**OKEMOS PUBLIC SCHOOLS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-through Grantor/ Program Title	Federal Assistance Listing Number	Pass- through Grantor's Number	Approved Grant Award Amount	Accrued (unearned) Revenue 7/1/2024	(Memo Only) Prior Year Expenditures	Current Year Expenditures	Current Year Cash Receipts	Accrued (unearned) Revenue 6/30/2025
<u>U.S. Department of Agriculture</u>								
Passed through Michigan Department of Education								
Child Nutrition Cluster								
Non-cash assistance (donated foods)								
National School Lunch Program								
Entitlement	10.555	N/A	\$ 153,778	\$ -	\$ 133,540	\$ 153,778	\$ 153,778	\$ -
Entitlement - Bonus		N/A	126	-	1,106	126	126	-
Total non-cash assistance			<u>153,904</u>	<u>-</u>	<u>134,646</u>	<u>153,904</u>	<u>153,904</u>	<u>-</u>
Cash Assistance								
National School Lunch Program	10.555	251960	428,606	-	-	428,606	428,606	-
National School Lunch Program		241960	522,726	4,796	451,380	71,346	76,142	-
National School Lunch Program		240910	108,048	(108,048)	-	108,048	-	-
National School Lunch Program		220910	223,872	(141,871)	-	141,871	-	-
Total ALN 10.555			<u>1,283,252</u>	<u>(245,123)</u>	<u>451,380</u>	<u>749,871</u>	<u>504,748</u>	<u>-</u>
School Breakfast Program	10.553	251970	109,210	-	-	109,210	109,210	-
School Breakfast Program		241970	104,031	1,964	89,674	14,357	16,321	-
Total ALN 10.553			<u>213,241</u>	<u>1,964</u>	<u>89,674</u>	<u>123,567</u>	<u>125,531</u>	<u>-</u>
Total cash assistance			<u>1,496,493</u>	<u>(243,159)</u>	<u>541,054</u>	<u>1,027,342</u>	<u>784,183</u>	<u>-</u>
Total Child Nutrition Cluster			<u>1,650,397</u>	<u>(243,159)</u>	<u>675,700</u>	<u>1,027,342</u>	<u>784,183</u>	<u>-</u>
Total U.S. Department of Agriculture			<u>1,650,397</u>	<u>(243,159)</u>	<u>675,700</u>	<u>1,027,342</u>	<u>784,183</u>	<u>-</u>

The accompanying notes are an integral part of the schedule.

**Draft  
Subject to Change**

**OKEMOS PUBLIC SCHOOLS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-through Grantor/ Program Title	Federal Assistance Listing Number	Pass- through Grantor's Number	Approved Grant Award Amount	Accrued (unearned) Revenue 7/1/2024	(Memo Only) Prior Year Expenditures	Current Year Expenditures	Current Year Cash Receipts	Accrued (unearned) Revenue 6/30/2025
<u>U.S. Department of Education</u>								
Passed through Michigan Department of Education								
Title I, Part A - Improving Basic Programs	84.010	251530-2425	\$ 172,308	\$ -	\$ -	\$ 134,361	\$ 103,002	\$ 31,359
Title I, Part A - Improving Basic Programs		241530-2324	250,930	25,843	114,041	28,967	54,810	-
Total ALN 84.010			423,238	25,843	114,041	163,328	157,812	31,359
Title II, Part A - Supporting Effective Instruction	84.367	250520-2425	64,112	-	-	64,112	51,739	12,373
Title II, Part A - Supporting Effective Instruction		240520-2324	65,702	15,937	65,702	-	15,937	-
Total ALN 84.367			129,814	15,937	65,702	64,112	67,676	12,373
Title III, Part A - Language Instruction for Immigrant Students	84.365	250580-2425	59,651	-	-	26,064	23,330	2,734
Title III, Part A - Language Instruction for Immigrant Students		240580-2324	59,294	4,148	25,490	21,326	25,474	-
Title III, Part A - Language Instruction for Immigrant Students		240570-2324	4,948	-	-	4,948	4,948	-
Total ALN 84.365			123,893	4,148	25,490	52,338	53,752	2,734
Title IV, Part A - Student Support and Academic Enrichment	84.424	250750-2425	21,655	-	-	12,106	9,856	2,250
Title IV, Part A - Student Support and Academic Enrichment		240750-2324	10,068	741	6,683	-	741	-
Total ALN 84.424			31,723	741	6,683	12,106	10,597	2,250
Education Stabilization Fund								
COVID-19 Elementary and Secondary School								
Emergency Relief Fund (ESSER III Formula Funds)	84.425U	213742-2122	902,993	101,552	463,174	52,519	154,071	-
Emergency Relief Fund (ESSER III Equalization Funds)	84.425U	213723-2122	4,155,466	79,920	1,634,494	393,514	473,434	-
Total ALN 84.425			5,058,459	181,472	2,097,668	446,033	627,505	-

The accompanying notes are an integral part of the schedule.

**Draft  
Subject to Change**

**OKEMOS PUBLIC SCHOOLS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-through Grantor/ Program Title	Federal Assistance Listing Number	Pass- through Grantor's Number	Approved Grant Award Amount	Accrued (unearned) Revenue 7/1/2024	(Memo Only) Prior Year Expenditures	Current Year Expenditures	Current Year Cash Receipts	Accrued (unearned) Revenue 6/30/2025
<u>U.S. Department of Education (continued)</u>								
Passed through Ingham Intermediate School District								
Special Education Cluster								
Special Education - Preschool	84.173	250460-2025	\$ 18,881	\$ -	\$ -	\$ 18,881	\$ -	\$ 18,881
Special Education - Preschool		230460-2223	22,067	21,929	21,929	-	21,929	-
Total ALN 84.173			40,948	21,929	21,929	18,881	21,929	18,881
Special Education - Flowthrough	84.027	240450-2024	12,387	-	-	12,387	-	12,387
Special Education - Flowthrough		220450-2022	3,247	3,128	3,128	-	3,128	-
Total ALN 84.027			15,634	3,128	3,128	12,387	3,128	12,387
Total Special Education Cluster			56,582	25,057	25,057	31,268	25,057	31,268
Total U.S. Department of Education			5,823,709	253,198	2,334,641	769,185	942,399	79,984
<u>U.S. Department of Health and Human Services</u>								
Passed through Ingham Intermediate School District								
Medicaid Cluster								
Medical Assistance Program	93.778	2025	70,237	-	-	70,237	70,237	-
COVID 19 - Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	242810-HRA2024	336,000	161,616	251,142	39,507	201,123	-
Total U.S. Department of Health and Human Services			406,237	161,616	251,142	109,744	271,360	-
<u>U.S. Department of Treasury</u>								
Passed through Michigan Department of Education								
Coronavirus State Fiscal Recovery Fund - Covid - 19	21.027	242426-FFHH24	90,646	-	-	12,909	-	12,909
Total U.S. Environmental Protection Agency			90,646	-	-	12,909	-	12,909
TOTAL FEDERAL AWARDS			<u>\$ 7,970,989</u>	<u>\$ 171,655</u>	<u>\$ 3,261,483</u>	<u>\$ 1,919,180</u>	<u>\$ 1,997,942</u>	<u>\$ 92,893</u>

The accompanying notes are an integral part of the schedule.

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**OKEMOS PUBLIC SCHOOLS  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2025**

**NOTE 1 - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Okemos Public Schools under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Okemos Public Schools, it is not intended to and does not present the financial position or changes in net position of Okemos Public Schools.

The District qualifies for low-risk auditee status. Management has utilized the Nexsys Cash Management System (CMS) and the Grant Auditor Report in preparing the schedule of expenditures of federal awards.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts (if any) shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available. Okemos Public Schools has elected to not use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**NOTE 3 - RECONCILING WITH AUDITED FINANCIAL STATEMENTS**

Federal expenditures are reported as revenue in the following funds in the financial statements:

General fund	\$ 891,838
Other nonmajor governmental fund	<u>1,027,342</u>
Total federal revenue in the fund financial statements	<u><u>\$ 1,919,180</u></u>
Expenditures per schedule of expenditures of federal awards	<u><u>\$ 1,919,180</u></u>

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND  
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Education  
Okemos Public Schools

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Okemos Public Schools as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Okemos Public Schools' basic financial statements and have issued our report thereon dated September 9, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Okemos Public Schools' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Okemos Public Schools' internal control. Accordingly, we do not express an opinion on the effectiveness of the Okemos Public Schools' internal control.

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

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

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## **Report on Compliance and Other Matters**

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

### **Purpose of this Report**

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

September 9, 2025



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND  
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Education  
Okemos Public Schools

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Okemos Public Schools' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Okemos Public Schools' major federal programs for the year ended June 30, 2025. Okemos Public Schools' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Okemos Public Schools complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

***Basis of Presentation on Each Major Federal Program***

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

We are required to be independent of Okemos Public Schools and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Okemos Public Schools' compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

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

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## ***Auditor's Responsibilities for the Audit of Compliance***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Okemos Public Schools' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Okemos Public Schools' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Okemos Public Schools' internal control over compliance. Accordingly, no such opinion is expressed.

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

## **Report on Internal Control Over Compliance**

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

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

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

*Government Auditing Standards* requires the auditors to perform limited procedures to Okemos Public Schools response to the internal control over compliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Okemos Public Schools response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

September 9, 2025

**OKEMOS PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued based on financial statements prepared in accordance with generally accepted accounting principles:

Unmodified

- Material weakness(es) identified?      \_\_\_\_\_ Yes        X   No
- Significant deficiency(ies) identified?      \_\_\_\_\_ Yes        X   None reported

Noncompliance material to financial statements noted?

\_\_\_\_\_ Yes        X   No

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified?      \_\_\_\_\_ Yes        X   No
- Significant deficiency(ies) identified?      \_\_\_\_\_ Yes        X   None reported

Type of auditor's report issued on compliance for major programs:

Unmodified

Any audit findings that are required to be reported in accordance with Title 2 CFR Section 200.516(a)?

\_\_\_\_\_ Yes        X   No

Identification of major programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster
10.553 & 10.555	Child Nutrition Cluster

Dollar threshold used to distinguish between Type A and Type B programs:

\_\_\_\_\_ \$750,000

Auditee qualified as low-risk auditee?

  X   Yes      \_\_\_\_\_ No

**Section II - Financial Statement Findings**

None

**Section III - Federal Award Findings and Questioned Costs**

None

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**OKEMOS PUBLIC SCHOOLS  
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2025**

There were no audit findings in the prior year.

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September 9, 2025

To the Board of Education  
Okemos Public Schools

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Okemos Public Schools for the year ended June 30, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Matters

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Okemos Public Schools are described in Note 1 to the financial statements. As described in Note 13 to the financial statements, the District adopted Governmental Accounting Standards Board (GASB) Statement No. 101 *Compensated Absences*, during the year ended June 30, 2025. Accordingly, the cumulative effects of the accounting changes are reported in the applicable financial statements and note disclosures. We noted no transactions entered into by Okemos Public Schools during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

Estimates have been used to calculate the net pension liability and the net other postemployment benefit asset. We evaluated the key factors and assumptions used to develop the balance of the net pension liability and net other postemployment benefit asset in determining that they are reasonable in relation to the financial statements taken as a whole.

Management's estimate in calculating the liability for employee compensated absences. We evaluated the key factors and assumptions used to develop the balance of employee compensated absences in determining that it is reasonable in relation to the financial statements taken as a whole.

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Management’s determination of the estimated life span of the capital assets. We evaluated the key factors and assumptions used by management to develop the estimated life span of the capital assets in determining that it is reasonable in relation to the financial statements taken as a whole. In addition, certain amounts included in capital assets have been estimated based on an outside appraisal company.

Management's estimate of the discount rate used for leases/SBITAs, the lease/subscription term and lease/subscription payments/receipts is based on the Okemos Public Schools incremental borrowing rate and consideration of the noncancelable period of the lease/subscription and reasonably certain lease/subscription options.

We evaluated the key factors and assumptions used to develop these accounting estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. We did not identify any sensitive disclosures.

The financial statement disclosures are neutral, consistent, and clear.

*Difficulties Encountered in Performing the Audit*

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

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

*Disagreements with Management*

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

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated September 9, 2025.

*Management Consultations with Other Independent Accountants*

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

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**Subject to Change**

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Okemos Public Schools auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### Other Matters

We applied certain limited procedures to the required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on other supplementary information, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

### Restriction on Use

This information is intended solely for the use of the management and members of the Board of Education of Okemos Public Schools and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

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September 9, 2025

To the Board of Education  
Okemos Public Schools

In planning and performing our audit of the financial statements of Okemos Public Schools as of and for the year ended June 30, 2025, in accordance with auditing standards generally accepted in the United States of America, we considered Okemos Public Schools' internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, during our audit, we noted certain matters involving the internal control and other operational matters that are presented for your consideration. This letter does not affect our report dated September 9, 2025 on the financial statements of Okemos Public Schools. We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve the internal control or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, perform any additional study of these matters, or assist you in implementing the recommendations. Our comments are summarized as follows.

#### CURRENT YEAR COMMENTS

##### *Food Service Fund Balance*

Per Michigan Department of Education (MDE) guidelines, school food authorities (SFA) must operate food services on a nonprofit basis. We noted that the food service fund balance exceeded the three months' operating expenditures allowed. MDE requires that the SFA spend down the excess by the end of the next school year. We recommend that Okemos Public Schools develop a plan to spend down the excess by June 30, 2026.

##### *Timeliness of Food Service Onsite Reviews*

Per Michigan Department of Education (MDE) guidelines, the district is required to complete one lunch review at all buildings and 50% of buildings operating a school breakfast program by February 1, 2025. We noted that most of the reviews completed were done 1 to 15 days after the February 1, 2025 deadline. We recommend that Okemos Public Schools develop a plan to complete all reviews in a timely manner to satisfy the MDE requirements.

This report is intended solely for the information and use of management, and others within the District, and is not intended to be, and should not be, used by anyone other than these specified parties.

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We appreciate the cooperation we received from your staff during our engagement and the opportunity to be of service.

Very truly yours,

**Draft**  
**Subject to Change**

**OKEMOS PUBLIC SCHOOLS  
RESOLUTION AUTHORIZING THE ISSUANCE  
AND DELEGATING THE SALE OF BONDS  
AND OTHER MATTERS RELATING THERETO**

Okemos Public Schools, Ingham County, Michigan (the “Issuer”)

A regular meeting of the board of education of the Issuer (the “Board”) was held in the Community Conference Room, within the boundaries of the Issuer, on the 13th day of October, 2025, at 7 o’clock in the \_\_.m. (the “Meeting”).

The Meeting was called to order by Tom Buffett, President.

Present: Members

Absent: Members

The following preamble and resolution were offered by Member \_\_\_\_\_ and supported by Member \_\_\_\_\_:

**WHEREAS:**

1. On November 8, 2022, the qualified electors of the Issuer voted in favor of bonding the Issuer for the sum of not to exceed Two Hundred Seventy-Five Million Dollars (\$275,000,000), the proceeds to be used for the purpose of erecting, furnishing and equipping a new elementary school building; erecting, furnishing and equipping a new middle school building as an addition to Chippewa Middle School; erecting, furnishing and equipping additions to school buildings; remodeling, equipping and re-equipping and furnishing and refurbishing school buildings; acquiring, installing, equipping and re-equipping school buildings for instructional technology; purchasing school buses; and preparing, developing, improving and equipping playgrounds, play fields, athletic fields and facilities and sites (the “Project”); and

2. It has been determined by the Board of the Issuer that there be issued at this time bonds of the Issuer in an aggregate principal amount not to exceed Ninety-Six Million Two Hundred Thousand Dollars (\$96,200,000); and

3. The Board has received a proposal from Stifel, Nicolaus & Company, Incorporated, to act as underwriter for the bonds (the “Underwriter”); and

4. Prior to the issuance of bonds, the Issuer must either achieve qualified status or secure prior approval of the bonds from the Michigan Department of Treasury (the “Department of Treasury”) pursuant to Act 34, Public Acts of Michigan, 2001, as amended.

**NOW, THEREFORE, BE IT RESOLVED THAT:**

1. The third series of bonds of the Issuer aggregating the principal sum of not to exceed Ninety-Six Million Two Hundred Thousand Dollars (\$96,200,000) be issued for the purpose of paying costs of the Project and costs of issuance of the Bonds. The Bonds shall be designated 2026 School Building and Site Bonds, Series III (the “Bonds”).

2. The Bonds shall be dated the date of delivery, or such other date as established at the time of sale; shall be fully registered bonds as to principal and interest; shall be numbered consecutively in the direct order of maturity from 1 upwards; and shall bear interest at a rate or rates to be hereafter determined not exceeding the maximum rate permitted by law.

3. The Bonds may consist of serial or term Bonds or any combination thereof which may be issued in one or more series, all of which shall be determined upon sale of the Bonds. The Bonds shall be in denominations of \$5,000 or any whole multiple thereof and shall mature on May 1 and/or November 1 in each year, in the final principal amounts determined upon sale, with interest thereon payable on November 1, 2026, or such other date as may be established at the time of sale, and semiannually thereafter on May 1 and November 1 in each year.

4. The Bonds shall otherwise be subject to redemption, as determined by the Superintendent or the Executive Director of Finance of the Issuer (each an "Authorized Officer"), at the times, in the amounts, manner and at the prices as determined upon sale of the Bonds.

5. The Bonds and the interest thereon shall be payable in lawful money of the United States of America at or by a bank or trust company to be designated by an Authorized Officer at the time of sale (herein called the "Paying Agent"), which shall act as the paying agent and bond registrar or such successor paying agent-bond registrar as may be approved by the Issuer, on each semiannual interest payment date and the date of each principal maturity.

6. Book Entry. At the request of the Underwriter, the ownership of one fully registered bond for each maturity in the aggregate principal amount of such maturity shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). So long as the Bonds are in the book entry form only, the Paying Agent shall comply with the terms of the Blanket Issuer Letter of Representations to be entered into between the Issuer and DTC, which provisions shall govern registration, notices and payment, among other things, and which provisions are incorporated herein with the same effect as if fully set forth herein. An Authorized Officer is authorized and directed to enter into the Blanket Issuer Letter of Representations with DTC in such form as determined by an Authorized Officer, in consultation with bond counsel, to be necessary and appropriate. In the event the Issuer determines that the continuation of the system of book entry only transfer through DTC (or a successor securities depository) is not in the best interest of the DTC participants, beneficial owners of the Bonds, or the Issuer, the Issuer will notify the Paying Agent, whereupon the Paying Agent will notify DTC of the availability through DTC of the bond certificates. In such event, the Issuer shall issue and the Paying Agent shall transfer and exchange Bonds as requested by DTC of like principal amount, series and maturity, in authorized denominations to the identifiable beneficial owners in replacement of the beneficial interest of such beneficial owners in the Bonds, as provided herein.

So long as the book-entry-only system remains in effect, in the event of a partial redemption the Paying Agent will give notice to Cede & Co., as nominee of DTC, only, and only Cede & Co. will be deemed to be a holder of the Bonds. DTC is expected to reduce the credit balances of the applicable DTC Participants in respect of the Bonds and in turn the DTC Participants are expected to select those Beneficial Owners whose ownership interests are to be extinguished or reduced by such partial redemptions, each by such method as DTC or such DTC Participants, as the case may be, deems fair and appropriate in its sole discretion.

7. In the event the Bonds are no longer in book entry form only, the following provisions would apply to the Bonds:

The Paying Agent shall keep or cause to be kept, at its principal office, sufficient books for the registration and transfer of the Bonds, which shall at all times during normal business hours be open to inspection by the Issuer; and, upon presentation and surrender for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, transfer or cause to be transferred on said books, Bonds as herein provided.

Any Bond may be transferred upon the books required to be kept pursuant to this section by the person in whose name it is registered, in person or by a duly authorized agent, upon surrender of the Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Paying Agent. Whenever any Bond or Bonds shall be surrendered for transfer, the Issuer shall furnish or cause to be furnished a sufficient number of manual or facsimile executed Bonds and the Paying Agent shall authenticate and deliver a new Bond or Bonds for like aggregate principal amount. The Paying Agent shall require the payment of any tax or other governmental charge required to be paid with respect to the transfer to be made by the bondholder requesting the transfer.

8. If any Bond shall become mutilated, the Issuer, at the expense of the holder of the Bonds, shall furnish or cause to be furnished, and the Paying Agent shall authenticate and deliver, a new Bond of like tenor in exchange and substitution of the mutilated Bond, upon surrender to the Paying Agent of the mutilated Bond. If any Bond issued under this resolution shall be lost, destroyed or stolen, evidence of the loss, destruction or theft and indemnity may be submitted to the Paying Agent, and if satisfactory to the Paying Agent and the Issuer, the Issuer at the expense of the owner, shall furnish or cause to be furnished, and the Paying Agent shall authenticate and deliver a new Bond of like tenor and bearing the statement required by Act 354, Public Acts of Michigan, 1972, as amended, being sections 129.131 to 129.134, inclusive, of the Michigan Compiled Laws, or any applicable law hereafter enacted, in lieu of and in substitution of the Bond so lost, destroyed or stolen. If any such Bond shall have matured or shall be about to mature, instead of issuing a substitute Bond, the Paying Agent may pay the same without surrender thereof.

9. The President and Secretary are authorized to provide the Bonds in conformity with the specifications of this resolution by causing their manual or facsimile signatures to be affixed thereto, and upon the manual execution by the authorized signatory of the Paying Agent, the Treasurer is authorized and directed to cause said Bonds to be delivered to the Underwriter upon receipt of the purchase price and accrued interest, if any.

Blank bonds with the manual or facsimile signatures of the President and Secretary of the Board affixed thereto, shall, at the direction of bond counsel and as necessary, be delivered to the Paying Agent for safekeeping to be used for registration and transfer of ownership.

10. There is hereby created a separate depository account to be kept with a bank located in the State of Michigan and insured by the Federal Deposit Insurance Corporation, previously approved as an authorized depository of funds of the Issuer, to be designated 2026 SCHOOL BOND DEBT RETIREMENT FUND (the "DEBT RETIREMENT FUND"), all proceeds from taxes levied for the DEBT RETIREMENT FUND shall be deposited as collected into said fund to be used for the purpose of paying the principal and interest on the Bonds as they mature or are

redeemed. Upon receipt of the Bond proceeds from the sale of the Bonds, the accrued interest, if any, shall be deposited in the DEBT RETIREMENT FUND. DEBT RETIREMENT FUND monies may be invested as authorized by law.

Commencing with the 2026 tax levy, there shall be levied upon the tax rolls of the Issuer in each year for the purpose of the DEBT RETIREMENT FUND a sum not less than the amount estimated to be sufficient to pay the principal and interest on the Bonds as such principal and interest fall due, the probable delinquency in collections and funds on hand being taken into consideration in arriving at the estimate. When funds are borrowed from the School Loan Revolving Fund, such funds may be taken into consideration in arriving at the estimated required tax levy. Taxes required to be levied to meet the principal and interest obligations may be without limitation as to rate or amount, as provided by Article IX, Section 6, and Article IX, Section 16 of the Michigan Constitution of 1963.

11. From the proceeds of the Bonds there shall be set aside a sum sufficient to pay the costs of issuance of the Bonds in a fund designated 2026 BOND ISSUANCE FUND (hereinafter referred to as the “BOND ISSUANCE FUND”) and any balance remaining shall be deposited in a fund designated 2026 CAPITAL PROJECTS FUND (hereinafter referred to as the “CAPITAL PROJECTS FUND”). Moneys in the BOND ISSUANCE FUND shall be used solely to pay expenses of issuance of the Bonds. Any amounts remaining in the BOND ISSUANCE FUND after payment of issuance expenses shall be transferred to the CAPITAL PROJECTS FUND.

12. The Bonds shall be in substantially the form attached hereto as Exhibit A.

13. Stifel, Nicolaus & Company, Incorporated, Okemos, Michigan, is named as senior managing underwriter and further, that an Authorized Officer or designee is authorized to negotiate and execute a Bond Purchase Agreement with the Underwriter, subject to the requirements of paragraph 16 below. Based upon information provided by the Issuer’s financial consultant and the Underwriter, a negotiated sale allows flexibility in the timing, sale and structure of the Bonds in response to changing market conditions.

14. An Authorized Officer is authorized to approve circulation of a Preliminary Official Statement describing the Bonds.

15. An Authorized Officer, or designee if permitted by law, is authorized to:

- A. File with the Department of Treasury an application for approval to issue the Bonds, if required, and to pay any applicable fee therefor and, further, within fifteen (15) business days after issuance of the Bonds, file any and all documentation required subsequent to the issuance of the Bonds, together with any statutorily required fee.
- B. Make application for municipal bond insurance if, upon advice of the Issuer’s financial consultant, the purchase of municipal bond insurance will be cost effective. The premium for such bond insurance shall be paid by the Issuer from Bond proceeds.
- C. Execute and deliver the Continuing Disclosure Agreement (the “Agreement”) in substantially the same form as set forth in Exhibit B

attached hereto, or with such changes therein as the individual executing the Agreement on behalf of the Issuer shall approve, his/her execution thereof to constitute conclusive evidence of his/her approval of such changes. When the Agreement is executed and delivered on behalf of the Issuer as herein provided, the Agreement will be binding on the Issuer and the officers, employees and agents of the Issuer, and the officers, employees and agents of the Issuer are authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Agreement as executed, and the Agreement shall constitute, and is made, a part of this resolution, and copies of the Agreement shall be placed in the official records of the Issuer, and shall be available for public inspection at the office of the Issuer. Notwithstanding any other provision of this resolution, the sole remedies for failure to comply with the Agreement shall be the ability of any Bondholder or beneficial owner to take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under the Agreement.

16. An Authorized Officer's or designee's authorization to accept and execute a Bond Purchase Agreement with the Underwriter is subject to the following parameters:

- A. the Underwriter discount shall not exceed \$7.50 per \$1,000 (0.75%); and
- B. the true interest cost rate on the Bonds shall not exceed 6%; and
- C. the maximum bond term shall not exceed 30 years; and
- D. the receipt of express written recommendation of the Issuer's financial consultant identified herein to accept the terms of the Bond Purchase Agreement.

17. An Authorized Officer is further authorized and directed to (i) execute any and all other necessary documents required to complete the approval and sale of the Bonds to the Underwriter in accordance with the terms of the Bond Purchase Agreement; (ii) appoint a paying agent for the Bonds; (iii) select a bond insurer, accept a commitment therefor and authorize payment of a bond insurance premium to insure any or all of the Bonds if recommended in writing by the Issuer's financial consultant; (iv) deem the Preliminary Official Statement for the Bonds final for purposes of SEC Rule 15c2-12(b)(1); and (v) execute and deliver the final Official Statement on behalf of the Issuer.

18. An Authorized Officer is authorized to file with the Department of Treasury or other authorized state agency the Final Qualification Application for the Bonds approved by this Board and in substantially the form attached hereto as Exhibit C with such changes as an Authorized Officer shall deem necessary to conform with the final sale of the Bonds pursuant to the parameters set forth herein.

19. The President or Vice President, the Secretary, the Treasurer, the Superintendent, the Executive Director of Finance, and/or all other officers, agents and representatives of the Issuer

and each of them shall execute, issue and deliver any certificates, statements, warranties, representations, or documents necessary to effect the purposes of this resolution, the Bonds or the Bond Purchase Agreement.

20. The officers, agents and employees of the Issuer are authorized to take all other actions necessary and convenient to facilitate the sale and delivery of the Bonds.

21. Thrun Law Firm, P.C. is appointed as bond counsel for the Issuer with reference to the issuance of the Bonds authorized by this resolution. Although Thrun Law Firm, P.C. has informed the Issuer that it represents no other party in connection with the issuance of the Bonds, Thrun Law Firm, P.C. represents the Underwriter on other, unrelated matters. The Board acknowledges the services that Thrun Law Firm, P.C. provides to the Underwriter, consents to the representation of the Underwriter on other, unrelated public finance matters, and waives any conflict of interest that could be asserted with respect to such representation.

22. The financial consulting firm of PFM Financial Advisors LLC, is appointed as financial consultant to the Issuer with reference to the issuance of the Bonds herein authorized.

23. The Board covenants to comply with existing provisions of the Internal Revenue Code of 1986, as amended (the "Code"), necessary to maintain the exclusion of interest on the Bonds from gross income.

24. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are hereby rescinded.

Ayes: Members

Nays: Members

Resolution declared adopted.

\_\_\_\_\_  
Secretary, Board of Education

The undersigned duly qualified and acting Secretary of the Board of Education of Okemos Public Schools, Ingham County, Michigan, hereby certifies that the foregoing constitutes a true and complete copy of a resolution adopted by the Board at the Meeting, the original of which is part of the Board's minutes. The undersigned further certifies that notice of the Meeting was given to the public pursuant to the provisions of the Open Meetings Act (Act 267, Public Acts of Michigan, 1976, as amended).

\_\_\_\_\_  
Secretary, Board of Education

IFK/keh

**EXHIBIT A**

**[No.]  
UNITED STATES OF AMERICA  
STATE OF MICHIGAN  
COUNTY OF INGHAM  
OKEMOS PUBLIC SCHOOLS  
2026 SCHOOL BUILDING AND SITE BOND, SERIES III  
(GENERAL OBLIGATION - UNLIMITED TAX)**

Rate                      Maturity Date                      Date of Original Issue                      CUSIP No.

REGISTERED OWNER:  
PRINCIPAL AMOUNT:

OKEMOS PUBLIC SCHOOLS, COUNTY OF INGHAM, STATE OF MICHIGAN (the “Issuer”), promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above in lawful money of the United States of America on the Maturity Date specified above, with interest thereon, from the Date of Original Issue until paid at the Rate specified above on the basis of a 360-day year, 30-day month, payable on November 1, 2026, and semiannually thereafter on the first day of May and November of each year (the “Bond” or “Bonds”). Principal on this Bond is payable at the corporate trust office of \_\_\_\_\_, MICHIGAN (the “Paying Agent”), upon presentation and surrender hereof. Interest is payable by check or draft mailed to the Registered Owner at the registered address shown on the registration books of the Issuer kept by the Paying Agent as of the close of business on the 15th day of the month preceding any interest payment date. The Issuer may hereafter designate a successor paying agent/bond registrar by notice mailed to the Registered Owner not less than sixty (60) days prior to any interest payment date.

The Bonds, of which this is one, are the third series of bonds to be issued from a total amount of not to exceed \$275,000,000 authorized by the electors of the Issuer. The Bonds are of like date and tenor, except as to denomination, rate of interest and date of maturity, aggregating the principal amount of \$\_\_\_\_\_. The Bonds are issued under and in pursuance of the provisions of Act 451, Public Acts of Michigan, 1976, as amended; Act 34, Public Acts of Michigan, 2001, as amended; a majority vote of the qualified electors of the Issuer voting thereon at an election duly called and held on November 8, 2022; and resolutions duly adopted by the Board of Education of the Issuer on October 13, 2025 and \_\_\_\_\_, 2026, for the purpose of authorizing issuance of the Bonds by the Issuer.

The series of Bonds of which this is one is issued for the purpose of erecting, furnishing and equipping a new elementary school building; erecting, furnishing and equipping a new middle school building as an addition to Chippewa Middle School; erecting, furnishing and equipping additions to school buildings; remodeling, equipping and re-equipping and furnishing and refurbishing school buildings; acquiring, installing, equipping and re-equipping school buildings for instructional technology; purchasing school buses; and preparing, developing, improving and equipping playgrounds, play fields, athletic fields and facilities and sites.

The Issuer has pledged its full faith, credit and resources for the payment of the principal and interest on the Bonds. The Bonds of this issue are payable from ad valorem taxes, which may be levied without limitation as to rate or amount as provided by Article IX, Section 6 and Article IX, Section 16 of the Michigan Constitution of 1963.

MANDATORY REDEMPTION

The Bonds maturing on \_\_\_\_\_, 20\_\_, are term Bonds subject to mandatory redemption, in part, by lot, on the redemption dates and in the principal amounts set forth below and at a redemption price equal to the principal amount thereof, without premium, together with accrued interest thereon to the date fixed for redemption. When term Bonds are purchased by the Issuer and delivered to the Paying Agent for cancellation or are redeemed in a manner other than by mandatory redemption, the principal amount of the term Bonds affected shall be reduced by the principal amount of the Bonds so redeemed or purchased in the order determined by the Issuer.

<u>Redemption Dates</u>	<u>Bonds due</u>	<u>Principal Amounts</u>
_____, 20__	_____	\$
_____, 20__	_____	
_____, 20__	_____	
_____, 20__ (maturity)	_____	

OPTIONAL REDEMPTION

The Bonds or portions of Bonds maturing on or after May 1, 2037, are subject to redemption prior to maturity at the option of the Issuer in multiples of \$5,000 in such order as the Issuer may determine, by lot within any maturity, on any date occurring on or after May 1, 2036, at par and accrued interest to the date fixed for redemption.

Notice of redemption of any Bond shall be given not less than thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption by mail to the Registered Owner at the registered address shown on the registration books kept by the Paying Agent. Bonds shall be called for redemption in multiples of \$5,000 and Bonds of denominations of more than \$5,000 shall be treated as representing the number of Bonds obtained by dividing the denomination of the Bond by \$5,000 and such Bonds may be redeemed in part. The notice of redemption for Bonds redeemed in part shall state that upon surrender of the Bond to be redeemed a new Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond surrendered shall be issued to the Registered Owner thereof. No further interest payment on the Bonds or portions of Bonds called for redemption shall accrue after the date fixed for redemption, whether presented for redemption, provided funds are on hand with the Paying Agent to redeem the same.

If less than all of the Bonds of any maturity shall be called for redemption prior to maturity, unless otherwise provided, the particular Bonds or portions of Bonds to be redeemed shall be selected by the Paying Agent, in such manner as the Paying Agent in its discretion may deem proper, in the principal amounts designated by the Issuer. Upon presentation and surrender of such Bonds at the corporate trust office of the Paying Agent, such Bonds shall be paid and redeemed.

This Bond is registered as to principal and interest and is transferable as provided in the resolutions authorizing the Bonds only upon the books of the Issuer kept for that purpose by the

Paying Agent, by the Registered Owner hereof in person or by an agent of the Registered Owner duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Paying Agent duly executed by the Registered Owner or agent thereof and thereupon a new Bond or Bonds in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor as provided in the resolutions authorizing the Bonds, and upon payment of the charges, if any, therein provided. The Bonds are issuable in denominations of \$5,000 or any integral multiple thereof not exceeding the aggregate principal amount for each maturity.

It is hereby certified and recited that all acts, conditions and things required to be done, to happen, and to be performed, precedent to and in the issuance of this Bond, have been done, have happened and have been performed in due time, form and manner, as required by law.

This Bond shall not be deemed a valid and binding obligation of the Issuer in the absence of authentication by manual execution hereof by the authorized signatory of the Paying Agent.

**IN WITNESS WHEREOF**, Okemos Public Schools, County of Ingham, State of Michigan, by its Board of Education, has caused this Bond to be signed in the name of the Issuer by the manual or facsimile signature of its President and countersigned by the manual or facsimile signature of its Secretary as of \_\_\_\_\_, 2026, and to be manually signed by the authorized signatory of the Paying Agent as of the date set forth below.

OKEMOS PUBLIC SCHOOLS  
COUNTY OF INGHAM  
STATE OF MICHIGAN

Countersigned

By \_\_\_\_\_  
Secretary

By \_\_\_\_\_  
President

**CERTIFICATE OF AUTHENTICATION**

Dated:

This Bond is one of the Bonds described herein.  
(Name of Bank)  
(City, State)  
PAYING AGENT

By \_\_\_\_\_  
Authorized Signatory

-----  
ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_  
\_\_\_\_\_ the within Bond and does hereby irrevocably  
constitute and appoint \_\_\_\_\_ attorney to transfer  
the Bond on the books kept for registration of the within Bond, with full power of substitution in  
the premises.

Dated: \_\_\_\_\_

NOTICE: The assignor's signature to this assignment  
must correspond with the name as it appears upon the  
face of the within Bond in every particular without  
alteration or any change whatever.

Signature Guaranteed:

\_\_\_\_\_  
Signature(s) must be guaranteed by an eligible guarantor institution participating in a  
Securities Transfer Association recognized signature guarantee program.

The Paying Agent will not effect transfer of this Bond unless the information concerning  
the transferee requested below is provided.

Name and Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Include information for all joint owners if the Bond is held by joint  
account.)

PLEASE INSERT SOCIAL SECURITY NUMBER OR  
OTHER IDENTIFYING NUMBER OF ASSIGNEE

(if held by joint account, insert number  
for first named transferee)

## EXHIBIT B

### FORM OF CONTINUING DISCLOSURE AGREEMENT

§ \_\_\_\_\_  
**OKEMOS PUBLIC SCHOOLS  
COUNTY OF INGHAM  
STATE OF MICHIGAN  
2026 SCHOOL BUILDING AND SITE BONDS, SERIES III  
(GENERAL OBLIGATION - UNLIMITED TAX)**

This Continuing Disclosure Agreement (the “Agreement”) is executed and delivered by Okemos Public Schools, County of Ingham, State of Michigan (the “Issuer”), in connection with the issuance of its \$ \_\_\_\_\_ 2026 School Building and Site Bonds, Series III (General Obligation - Unlimited Tax) (the “Bonds”). The Bonds are being issued pursuant to resolutions adopted by the Board of Education of the Issuer on October 13, 2025 and \_\_\_\_\_, 2026 (together, the “Resolution”). The Issuer covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Agreement is being executed and delivered by the Issuer for the benefit of the Bondholders and in order to assist the Participating Underwriter in complying with the Rule. The Issuer acknowledges that this Agreement does not address the scope of any application of Rule 10b-5 promulgated by the SEC pursuant to the 1934 Act to the Annual Reports or notices of the Listed Events provided or required to be provided by the Issuer pursuant to this Agreement.

SECTION 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Agreement.

“Bondholder” means the registered owner of a Bond or any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including any person holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bond for federal income tax purposes.

“Dissemination Agent” means any agent designated as such in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation, and such agent’s successors and assigns.

“EMMA” shall mean the MSRB’s Electronic Municipal Market Access which provides continuing disclosure services for the receipt and public availability of continuing disclosure documents and related information required by Rule 15c2-12 promulgated by the SEC.

“Financial Obligation” shall mean (a) a debt obligation, (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) a guarantee of (a) or (b) provided; however, that a “Financial Obligation” shall not include any municipal security for which a final official statement has been provided to the MSRB consistent with the Rule.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board.

“1934 Act” shall mean the Securities Exchange Act of 1934, as amended.

“Official Statement” shall mean the final Official Statement for the Bonds dated \_\_\_\_\_, 2026.

“Participating Underwriter” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

“Resolution” shall mean the resolutions duly adopted by the Issuer authorizing the issuance, sale and delivery of the Bonds.

“Rule” shall mean Rule 15c2-12 promulgated by the SEC pursuant to the 1934 Act, as the same may be amended from time to time.

“SEC” shall mean the Securities and Exchange Commission.

“State” shall mean the State of Michigan.

### SECTION 3. Provision of Annual Reports.

(a) Each year, the Issuer shall provide, or shall cause the Dissemination Agent to provide, on or prior to the end of the sixth month after the end of the fiscal year of the Issuer commencing with the fiscal year ending June 30, 2026, to EMMA an Annual Report for the preceding fiscal year which is consistent with the requirements of Section 4 of this Agreement. Currently, the Issuer’s fiscal year ends on June 30. In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by specific reference other information as provided in Section 4 of this Agreement; provided, however, that if the audited financial statements of the Issuer are not available by the deadline for filing the Annual Report, they shall be provided when and if available, and unaudited financial statements in a format similar to the financial statements contained in the Official Statement shall be included in the Annual Report.

(b) The Annual Report shall be submitted to EMMA either through a web-based electronic submission interface or through electronic computer-to-computer data connections with EMMA in accordance with the submission process, document format and configuration requirements established by the MSRB. The Annual Report shall also include all related information required by MSRB to accurately identify: (i) the category of information being provided; (ii) the period covered by the Annual Report; (iii) the issues or specific securities to which the Annual Report is related (including CUSIP number, Issuer name, state, issue description/securities name, dated date, maturity date, and/or coupon rate); (iv) the name of any

obligated person other than the Issuer; (v) the name and date of the document; and (vi) contact information for the Dissemination Agent or the Issuer's submitter.

(c) If the Issuer is unable to provide to EMMA an Annual Report by the date required in subsection (a), the Issuer shall send a notice in a timely manner to the MSRB in substantially the form attached as Appendix A.

(d) If the Issuer's fiscal year changes, the Issuer shall send a notice of such change to the MSRB in substantially the form attached as Appendix B. If such change will result in the Issuer's fiscal year ending on a date later than the ending date prior to such change, the Issuer shall provide notice of such change to the MSRB on or prior to the deadline for filing the Annual Report in effect when the Issuer operated under its prior fiscal year. Such notice may be provided to the MSRB along with the Annual Report, provided that it is filed at or prior to the deadline described above.

SECTION 4. Content of Annual Reports. The Issuer's Annual Report shall contain or include by reference the following:

(a) audited financial statements of the Issuer prepared pursuant to State laws, administrative rules and guidelines and pursuant to accounting and reporting policies conforming in all material respects to generally accepted accounting principles as applicable to governmental units as such principles are prescribed, in part, by the Financial Accounting Standards Board and modified by the Government Accounting Standards Board and in effect from time to time; and

(b) additional annual financial information and operating data as set forth in the Official Statement under "CONTINUING DISCLOSURE".

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which previously have been provided to each of the Repositories or filed with the SEC. If the document included by specific reference is a final official statement, it must be available from the MSRB. The Issuer shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) The Issuer covenants to provide, or cause to be provided, notice in a timely manner not in excess of ten business days of the occurrence of any of the following events with respect to the Bonds in accordance with the Rule:

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;

- (7) modifications to rights of security holders, if material;
- (8) bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution, or sale of property securing repayment of the securities, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the Issuer or other obligated person;
- (13) the consummation of a merger, consolidation, or acquisition involving the Issuer or other obligated person or the sale of all or substantially all of the assets of the Issuer or other obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (15) incurrence of a Financial Obligation of the Issuer or other obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer or other obligated person, any of which affect security holders, if material;
- (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer or other obligated person, any of which reflect financial difficulties.

(b) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, the Issuer shall as soon as possible determine if such event would constitute material information for the Bondholders, provided that any event other than those listed under Section 5(a)(2), (6), (7), (8), (10), (13), (14) or (15) above will always be deemed to be material. Events listed under Section 5(a)(6) and (8) above will always be deemed to be material except with respect to that portion of those events which must be determined to be material.

(c) The Issuer shall promptly cause a notice of the occurrence of a Listed Event, determined to be material in accordance with the Rule, to be electronically filed with EMMA, together with a significant event notice cover sheet substantially in the form attached as Appendix C. In connection with providing a notice of the occurrence of a Listed Event described in Section 5(a)(9) above, the Issuer shall include in the notice explicit disclosure as to whether the Bonds have been escrowed to maturity or escrowed to call, as well as appropriate disclosure of the timing of maturity or call.

(d) The Issuer acknowledges that the “rating changes” referred to above in Section 5(a)(11) of this Agreement may include, without limitation, any change in any rating on the Bonds or other indebtedness for which the Issuer is liable, or on any indebtedness for which the State is liable.

(e) The Issuer acknowledges that it is not required to provide a notice of a Listed Event with respect to credit enhancement when the credit enhancement is added after the primary offering of the Bonds, the Issuer does not apply for or participate in obtaining such credit enhancement, and such credit enhancement is not described in the Official Statement.

SECTION 6. Termination of Reporting Obligation.

(a) The Issuer's obligations under this Agreement shall terminate upon the legal defeasance of the Resolution or the prior redemption or payment in full of all of the Bonds.

(b) This Agreement, or any provision hereof, shall be null and void in the event that the Issuer (i) receives an opinion of nationally recognized bond counsel, addressed to the Issuer, to the effect that those portions of the Rule, which require such provisions of this Agreement, do not or no longer apply to the Bonds, whether because such portions of the Rule are invalid, have been repealed, amended or modified, or are otherwise deemed to be inapplicable to the Bonds, as shall be specified in such opinion, and (ii) delivers notice to such effect to the MSRB.

SECTION 7. Dissemination Agent. The Issuer, from time to time, may appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

SECTION 8. Amendment. Notwithstanding any other provision of this Agreement, this Agreement may be amended, and any provision of this Agreement may be waived to the effect that:

(a) such amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, a change in law or a change in the identity, nature or status of the Issuer, or the types of business in which the Issuer is engaged;

(b) this Agreement as so amended or taking into account such waiver, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, in the opinion of independent legal counsel; and

(c) such amendment or waiver does not materially impair the interests of the Bondholders, in the opinion of independent legal counsel.

If the amendment or waiver results in a change to the annual financial information required to be included in the Annual Report pursuant to Section 4 of this Agreement, the first Annual Report that contains the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of such change in the type of operating data or financial information being provided. If the amendment or waiver involves a change in the accounting principles to be followed in preparing financial statements, the Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared based on the new accounting principles and those prepared based on the former accounting principles. The comparison should include a qualitative discussion of such differences and the impact of the changes on the presentation of the financial information. To the extent reasonably feasible, the comparison should also be quantitative. A notice of the change in the accounting principles should be sent by the Issuer to the MSRB. Further, if the annual financial information required to be provided in the Annual Report can no longer be generated because the operations to which it related have been materially changed or discontinued, a statement to that effect shall be included in the first Annual Report that does not include such information.

SECTION 9. Additional Information. Nothing in this Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Agreement. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Agreement, the Issuer shall have no obligation under this Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Issuer to comply with any provision of this Agreement, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed an Event of Default under the Resolution or the Bonds, and the sole remedy under this Agreement in the event of any failure of the Issuer to comply with the Agreement shall be an action to compel performance.

SECTION 11. Duties of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Agreement.

SECTION 12. Beneficiaries. This Agreement shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriter, and the Bondholders and shall create no rights in any other person or entity.

SECTION 13. Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State, and any suits and actions arising out of this Agreement shall be instituted in a court of competent jurisdiction in the State. Notwithstanding the foregoing, to the extent this Agreement addresses matters of federal securities laws, including the Rule, this Agreement shall be construed and interpreted in accordance with such federal securities laws and official interpretations thereof.

OKEMOS PUBLIC SCHOOLS  
COUNTY OF INGHAM  
STATE OF MICHIGAN

By: \_\_\_\_\_  
Its: Superintendent

Dated: \_\_\_\_\_, 2026

**APPENDIX A**

NOTICE TO THE MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Okemos Public Schools, Ingham County, Michigan  
Name of Bond Issue: 2026 School Building and Site Bonds, Series III (General  
Obligation - Unlimited Tax)  
Date of Bonds: \_\_\_\_\_, 2026

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by Section 3 of its Continuing Disclosure Agreement with respect to the Bonds. The Issuer anticipates that the Annual Report will be filed by \_\_\_\_\_.

OKEMOS PUBLIC SCHOOLS  
COUNTY OF INGHAM  
STATE OF MICHIGAN

By: \_\_\_\_\_  
Its: Superintendent

Dated: \_\_\_\_\_



**APPENDIX B**

NOTICE TO THE MSRB OF CHANGE IN ISSUER'S FISCAL YEAR

Name of Issuer: Okemos Public Schools, Ingham County, Michigan  
Name of Bond Issue: 2026 School Building and Site Bonds, Series III (General  
Obligation - Unlimited Tax)  
Date of Bonds: \_\_\_\_\_, 2026

NOTICE IS HEREBY GIVEN that the Issuer's fiscal year has changed. Previously, the Issuer's fiscal year ended on \_\_\_\_\_. It now ends on \_\_\_\_\_.

OKEMOS PUBLIC SCHOOLS  
COUNTY OF INGHAM  
STATE OF MICHIGAN

By: \_\_\_\_\_  
Its: Superintendent

Dated: \_\_\_\_\_

**APPENDIX C**

SIGNIFICANT EVENT NOTICE COVER SHEET

This cover sheet and significant event notice should be provided in an electronic format to the Municipal Securities Rulemaking Board pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

Issuer's and/or other Obligated Person's Name: \_\_\_\_\_

Issuer's Six-Digit CUSIP Number(s): \_\_\_\_\_

or Nine-Digit CUSIP Number(s) to which this significant event notice relates: \_\_\_\_\_

Number of pages of attached significant event notice: \_\_\_\_\_

Description of Significant Events Notice (Check One):

1. \_\_\_\_\_ Principal and interest payment delinquencies
2. \_\_\_\_\_ Non-payment related defaults
3. \_\_\_\_\_ Unscheduled draws on debt service reserves reflecting financial difficulties
4. \_\_\_\_\_ Unscheduled draws on credit enhancements reflecting financial difficulties
5. \_\_\_\_\_ Substitution of credit or liquidity providers, or their failure to perform
6. \_\_\_\_\_ Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security
7. \_\_\_\_\_ Modifications to rights of security holders
8. \_\_\_\_\_ Bond calls
9. \_\_\_\_\_ Tender offers
10. \_\_\_\_\_ Defeasances
11. \_\_\_\_\_ Release, substitution, or sale of property securing repayment of the securities
12. \_\_\_\_\_ Rating changes
13. \_\_\_\_\_ Bankruptcy, insolvency, receivership or similar event of the Issuer or other obligated person
14. \_\_\_\_\_ The consummation of a merger, consolidation, or acquisition involving the Issuer or other obligated person or the sale of all or substantially all of the assets of the Issuer or other obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms
15. \_\_\_\_\_ Appointment of a successor or additional trustee or the change of name of a trustee
16. \_\_\_\_\_ Incurrence of a financial obligation of the Issuer or other obligated person
17. \_\_\_\_\_ Agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation that affect security holders
18. \_\_\_\_\_ Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer or other obligated person that reflect financial difficulties
19. \_\_\_\_\_ Other significant event notice (specify) \_\_\_\_\_

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature: \_\_\_\_\_

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Employer: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_

Voice Telephone Number: (\_\_\_\_\_) \_\_\_\_\_

**The MSRB Gateway is [www.msrb.org](http://www.msrb.org) or through the EMMA portal at [emma.msrb.org/submission/Submission\\_Portal.aspx](http://emma.msrb.org/submission/Submission_Portal.aspx). Contact the MSRB at (703) 797-6600 with questions regarding this form or the dissemination of this notice. The cover sheet and notice may also be faxed to the MAC at (313) 963-0943.**



# EXHIBIT C

Michigan Department of Treasury  
3451 (Rev. 03-24)

Application No. SBL <b>33-170-4-K12-20-01</b>
--

## Application for Final Qualification of Bonds for Participation in the Michigan School Bond Qualification and Loan Program

Issued under authority of Public Act 92 of 2005, as amended.

Legal Name of School District <b>Okemos Public Schools</b>	District Code Number <b>33170</b>	Telephone Number <b>(517) 706-5000</b>	
Address <b>4406 N. Okemos Rd.</b>	City <b>Okemos</b>	County <b>Ingham</b>	ZIP Code <b>48864</b>
Name of Person Responsible for Preparation of this Application <b>John Hood</b>		Title <b>Superintendent</b>	

### CERTIFICATION

I, the undersigned, Secretary of the Board of Education, do certify hereby that the following constitutes a true and complete copy of a resolution adopted by the Board of Education of this School District, at a

regular or  special meeting held on the 13 day of October, 2025,

and that the meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with Act 267 of the Public Acts of 1976 (Open Meetings Act).

Name of Secretary (Print or Type) <b>Shulawn Doxie</b>	Signature of Secretary	Date
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### PARTICIPANTS

Secretary, Board of Education <b>Shulawn Doxie</b>	Superintendent of Schools <b>John Hood</b>
Treasurer, Board of Education <b>Katie Cavanaugh</b>	Architectural Firm <b>TowerPinkster</b>
Bond Counsel <b>Thrun Law, P.C.</b>	Construction Manager <b>The Christman Company</b>
Financial Advisor <b>PFM Financial Advisors LLC</b>	Paying Agent <b>TBD</b>
Senior Underwriter <b>Stifel, Nicolaus &amp; Company, Incorporated</b>	

### SALE TYPE

<input type="checkbox"/> Competitive Bid	<input checked="" type="checkbox"/> Negotiated Sale
--	---

### RESOLUTION

<p>A meeting was called to order by _____, President.</p> <p>Present: Members _____</p> <p>Absent: Member _____</p> <p><b>The following preamble and resolution were offered by Member _____ and supported by Member _____.</b></p>
---



## BACKGROUND

1. Act 92 of the Public Acts of Michigan, 2005, as amended, ("Act 92") enacted pursuant to Article IX, Section 16, of the Michigan Constitution of 1963, provides the procedure, terms and conditions for the final qualification of bonds for participation in the School Bond Qualification and Loan Program.
2. This district has taken all necessary actions to comply with all legal and procedural requirements for final qualification of this bond issue.

## ACTION OF THE BOARD

1. The district hereby applies for final qualification of bonds by the State Treasurer for the purpose of:
  - Financing the school construction **and/or**
  - Refinancing existing debt as described in this application.
2. The bonds of the district qualified by the State Treasurer will conform to all the requirements of law pertaining generally to school bonds and specifically to school bonds qualified under Section 16, Article IX of the 1963 Michigan Constitution, Act 92, and Act 112, Public Acts of 1961, as amended.
3. Any moneys obtained through the sale of the qualified bonds of the district as herein proposed will be used only for the purpose of:
  - Financing the projects described in the application for the preliminary qualification of bonds numbered SBL\_33-170-4-K12-20-01, including any changes that have been submitted to the State Treasurer and that are consistent with the approved ballot language, **and/or**
  - Refinancing existing qualified debt and for no other purpose unless such change of purpose is permitted by law and has the prior approval of the State Treasurer.
4. The district agrees to annually certify and levy its debt millage tax by filing an Annual Loan Activity Statement in accordance with the requirements of Act 92 and to determine the amounts, if any, to be borrowed from or repaid to the School Loan Revolving Fund ("SLRF"). The district agrees to deposit proceeds of debt millage upon receipt into an account established solely for debt service with the appointed banking institution as defined in Section 9. The district agrees to comply with the provisions of Act 92 governing the periodic recalculation of its millage, the adjustment of its millage levy when necessary, and the repayment of funds to the SLRF, where applicable.
5. The district agrees to enter into a loan agreement and file all necessary applications for qualified loans from the SLRF along with all supporting information for repayment to the SLRF within statutory application dates and in accordance with forms and procedures as prescribed by the State Treasurer. The (insert title of authorized school district official(s)) Superintendent / Executive Director of Finance are/is authorized and directed to execute and deliver the loan agreement and any other documents that may be required by the loan agreement on behalf of the district. The district covenants to comply with the terms of any applicable qualified loan agreement it is now or may be a party to, including the provisions related to its millage levy.
6. The district agrees to take actions and refrain from taking actions as necessary to maintain the tax-exempt status of tax-exempt debt issued by the State of Michigan or the Michigan Finance Authority for the purpose of financing the School Bond Loan Fund or the School Loan Revolving Fund as defined in P.A. 227 of 1985, as amended.
7. The district agrees that if these bonds are issued as tax exempt bonds, it will use the proceeds of these bonds only for the purposes that are allowed for tax exempt bonds and that none of such proceeds will be used for more than the first advance refunding of any original bond issued after 1985, nor more than the second advance refunding of any original bond issued before 1986, and the district further agrees that proceeds of bonds issued as Qualified Zone Academy Bonds, Qualified School Construction Bonds, Build America Bonds or Recovery Zone Economic Development Bonds will only be used for the purposes that are allowed for such bonds.
8. The district agrees to use any funds borrowed from the SLRF only for the payment of principal and interest on qualified bonds that is immediately payable to bondholders and not to fund escrow or sinking funds.

9. **The district agrees to appoint a banking institution that performs paying agent services in general, and to execute a signed agreement that provides, at a minimum, the following procedures:**
  - a. **If the district has not established an irrevocable escrow account with a qualified escrow agent, the district agrees to submit debt service payments for its qualified bonds in immediately available funds to its banking institution no less than five business days prior to the debt service due date, and agrees not to withdraw, or cause a debit to be drawn against, such funds except to pay debt service.**
  - b. **The district agrees to use an existing or establish a new interest bearing, money market or investment account** with the banking institution that performs paying agent services for the subject bonds, that allows the district to provide written investment instructions for the investment of collected funds on hand preceding the debt service due date.
  - c. **The paying agent will implement notification procedures that provide that if sufficient funds for full payment of debt service do not reach the banking institution five business days prior to the debt service payment due date, the paying agent will notify the district of the amount of insufficient funds four business days prior to the debt service payment due date. In the event that the district does not immediately resolve the insufficient funds situation, the paying agent will notify the Michigan Department of Treasury of the delinquency three business days before the payment due date.**
  - d. **The district agrees to furnish written notification to the paying agent and the Department of Treasury of any bonds that have been refunded.**
10. **The district agrees to deposit all federal interest credits received with respect to its qualified bonds issued as direct credit type bonds into the debt retirement fund payable for such bonds.**
11. **The district requests that the State Treasurer increase its computed millage if at any time the full amount of any tax credit related to direct credit type bonds is not received or the amount of debt service on its qualified bonds increases for any reason and the current computed millage is not sufficient to repay all outstanding qualified loans by the final mandatory repayment date.**
12. The district agrees that if Treasury determines that the district will not be able to make all or part of the debt service payment, Treasury will process an emergency loan from the SLRF. If the district incurs an emergency loan it shall be a legal debt of the district and the State Treasurer shall bill the school district for the amount paid and the school district shall remit the amount to the state.
13. The board directs the school district administration to report any failure to perform as a result of this application. **In the event that the district fails to perform any actions as identified in this application or required by law, the district will submit to the State Treasurer a board approved resolution which indicates the actions taken and procedures implemented to assure future compliance.**
14. The district board members have read this application, approved all statements and representations contained herein as true to the best knowledge and belief of said board, and authorized the Secretary of the Board of Education to sign this Final Application and submit same to the State Treasurer for his or her review and approval.

Ayes: Members \_\_\_\_\_

Nays: Members \_\_\_\_\_

**BOND DETAIL**

1. **PURPOSE:** Specify the purpose of bond issue exactly as stated on the ballot and as it is to be cited in the Order Qualifying Bonds (or attach an official copy).

2. **ELECTION DATA:**

- a. Date of election: 11/8/2022
- b. **Attach a copy of the Certified Official Canvass of Election (if not already on file).**

3. **FINAL MATURITY SCHEDULE:**

- a. Total amount of this issue ..... \$ \_\_\_\_\_
- b. Due date annually for principal payments: May 1st
- c. Due date semi-annually for interest payments: May 1st/Nov 1st
- d. Attach a copy of the bond amortization and millage impact schedules.

4. **DEBT AMOUNTS:**

- a. Amount of this bond issue ..... \$ \_\_\_\_\_
- b. Total amount of bonded debt prior to this issue ..... \$ 82,490,000
- c. Total amount of bonds being refunded ..... \$ \_\_\_\_\_
- d. **Total amount of proposed and existing debt (4a + b - c)** ..... \$ \_\_\_\_\_

5. **PROPERTY VALUATION: Taxable valuation as of this date** ..... \$ 1,742,393,304

6. **CHANGES IN FINANCIAL STRUCTURE:** Specify any changes in financial structure since Preliminary Qualification or original Order Qualifying Bonds was approved:

Changes in maturity amounts and structure. This is the third series of bonds issued under the November 2022 bond authorization.

7. Bond Type(s) (Check all that apply):

- Fixed Rate**
- Variable Rate
- Tax Exempt**
- Taxable
- Qualified Zone Academy Bond



Agenda Draft

Worksession: Board of Education

Topic: Monitoring Implementation of Strategic Plan

Outcomes: Establish board level data and timelines for monitoring strategic plan

1. Prior Presentations (10 minutes)

- a. [Presentation #1](#): Operational Overview: Part 1 Year One Activities/Strategies and Evidence
- b. [Presentation #2](#): Operational Overview: Part 2 Five Year Goals, Data Sets and Monitoring
- c. Questions

2. Monitoring (45 minutes)

- a. Guiding Questions for Discussion

*Are we monitoring Board level indicators that truly reflect progress toward our strategic goals and desired student outcomes?*

*What story will the data tell us about our district's progress, strengths, and areas that need attention — including for different student groups?*

*How will we use this information to guide decisions, adjust strategies, and communicate progress transparently to our community?*

- b. [Proposed Data Sources and Annual Reporting](#)
    - i. 5 year Data Sources
      - 1. Frequency of Updates
        - a. Presented vs shared
      - 2. Pre/Post (Growth)
    - ii. Year One Activities (Superintendent Evaluation)
3. Communications (10 minutes)
- Data Dashboard
    - 1. Strategic Plan 5 year goals
      - a. Annual updates
    - 2. Yearly Strategies
  - Other
    - 3. Annual Departmental Reports

# Strategic Plan

Operational Overview: Part 2

Five Year Goals, Data Sets and Monitoring

**Okemos Public Schools**

John J. Hood - Superintendent

09.22.25



# Overview of Tonight's Presentation

<b>Goals (Board)</b>	Adopted June 2025
<b>Activities/Strategies (Admin)</b>	Year one strategies selected (1-4 per goal area) Years two through five brainstormed
<b>Evidence (Admin)</b>	Year one evidence defined
<b>If so... then what? (Admin)</b>	Rationale defined for strategy
<b>Implementation Plans (Admin)</b>	Implementation plans under development (worked sample)
<b>Five Year Goals (Admin) Monitoring (Board)</b>	Goals and measures selected ( <b>tonight's BOE meeting</b> )

# Strategic Plan: Core Values

## **OUR BELIEFS AND VALUES**

Okemos Public Schools believes in honoring the individuality of every learner, recognizing that each person brings unique experiences, strengths, and potential for growth. We are committed to nurturing communities that are safe, empathetic, and actively engaged, where every voice is valued and respected. Our culture is grounded in innovation, integrity, and a shared pursuit of excellence, ensuring that all members are empowered to thrive and contribute meaningfully to the world around them.

# Strategic Plan: Mission and Vision



## **MISSION STATEMENT**

*"Together educating with excellence, empowering every learner for life."*



## **VISION STATEMENT**

*"Every learner. Every day. Stronger Together."*



## **Communications & Community Engagement**

OPS will establish a transparent, consistent, and easily accessible communication system that actively engages families, staff, and community partners in the educational process and district initiatives.



## **Personnel & Leadership**

OPS will recruit highly qualified staff, increasingly reflective of our student body. OPS will develop and retain staff by promoting professional growth and leadership development rooted in trust, collaboration and accountability.



## **Academics & Programs**

OPS will ensure that every learner experiences challenging, relevant, and supportive instruction that results in academic growth and achievement.



## **Learning Environment & Culture**

OPS will have safe and supportive school cultures and classroom environments that foster well-being, engagement, and belonging for all learners.



## **Operations & Facilities**

OPS will provide and maintain safe and high quality classrooms, facilities and grounds that foster and inspire student learning while meeting the evolving needs of the school community.

# Strategic Plan: Goal Areas

## The What! - The School Board

Developed by:

Staff

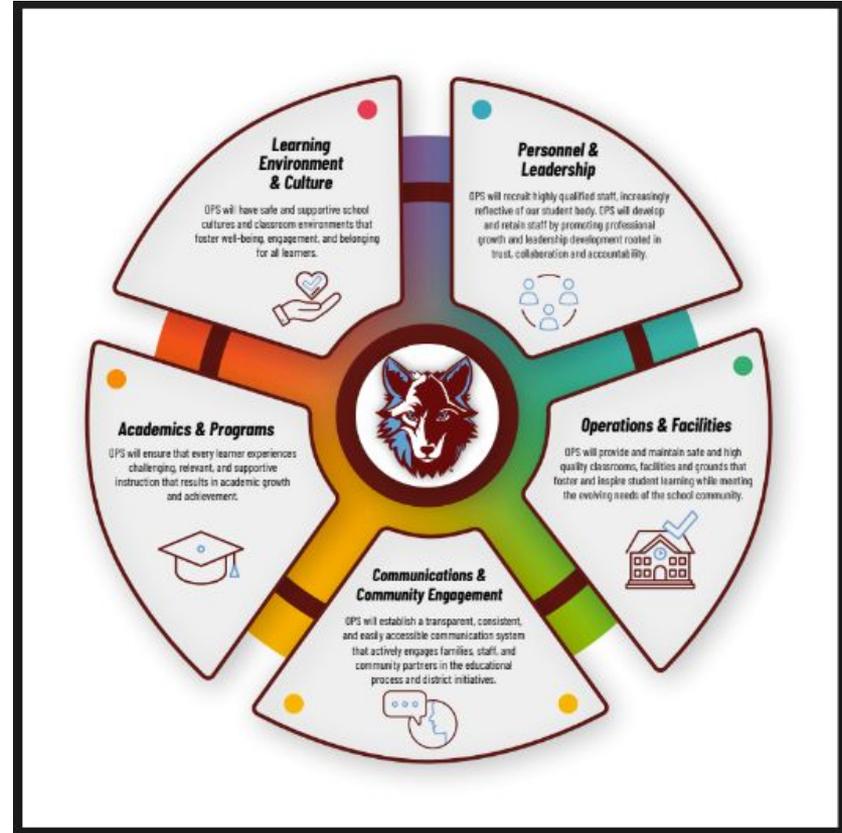
Students

Parents

Community

Board

Adopted by Board



# Strategic Plan: Operational Plan

## The How! - Administrative Team

Developed by:

Principals

Directors

Assistant Principals

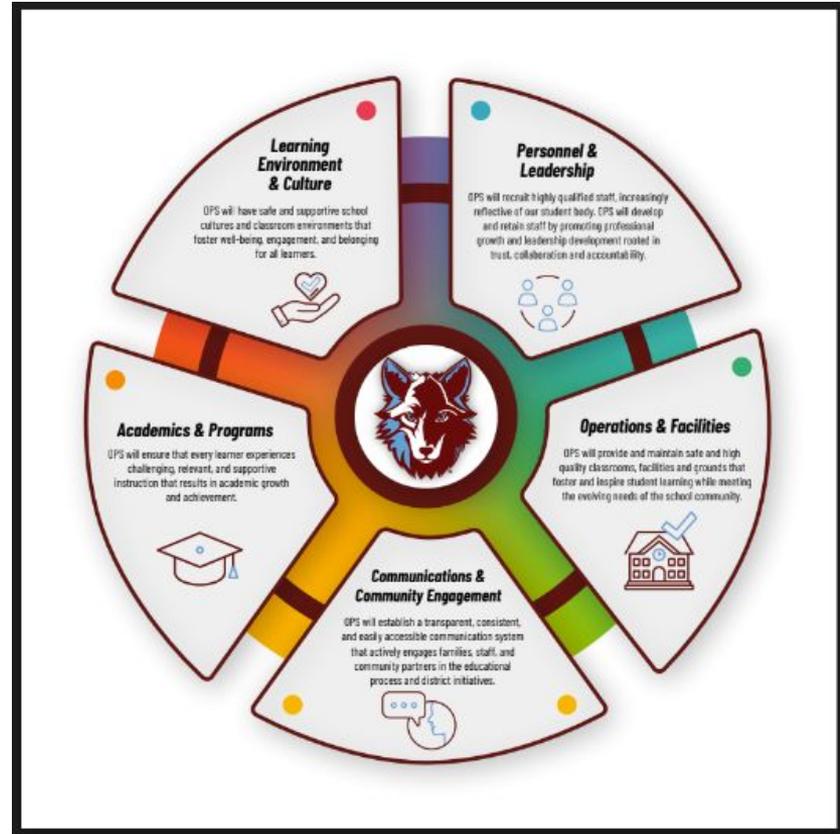
Coordinators

Assistant Superintendent

Superintendent

Leadership Implements

Board Monitors Outcomes



# Board Level Data

Board-level data provides a *big-picture view* of district performance, trends, and outcomes. It focuses on monitoring progress toward strategic goals, accountability, and student success across the system — not on day-to-day operations or individual staff/students.

## Examples of Board-Level Data

- District graduation rate over multiple years
- Student achievement (state assessments, national benchmarks)
- Districtwide attendance rate and chronic absenteeism
- Staff retention/turnover trends
- Climate survey results (students, staff, families)
- Financial health indicators (fund balance, per-pupil spending)

## Non-Examples of Board-Level Data

- Single classroom test scores, Daily attendance for one school, Individual student behavior incident

**Key Idea:** Boards monitor *systems and outcomes* — not individual cases or operational details.

# Perception Survey Development: Intentional Alignment

Strategic Goal for Learning Environment & Culture:

OPS will have **safe** and **supportive school cultures** and **classroom environments** that foster **well-being**, **engagement**, and **belonging** for every **learner**.

# Perception Survey Development: Intentional Alignment

## Learning Environment and Culture

**Populations: students, staff, families**

7 Constructs:

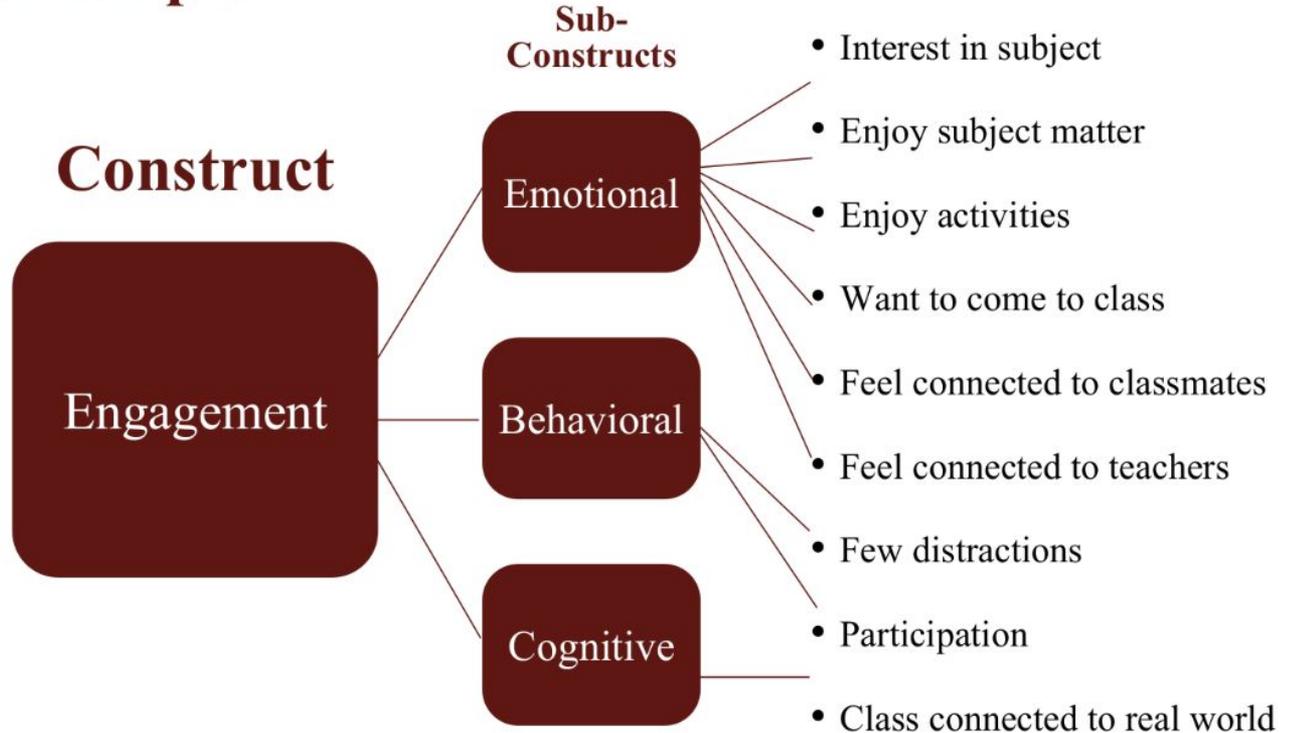
- Safe school culture
- Supportive school culture
- Safe school environment
- Supportive school environment
- Well-being
- Engagement
- Belonging

How might these populations see these constructs differently? What if they provide different responses?

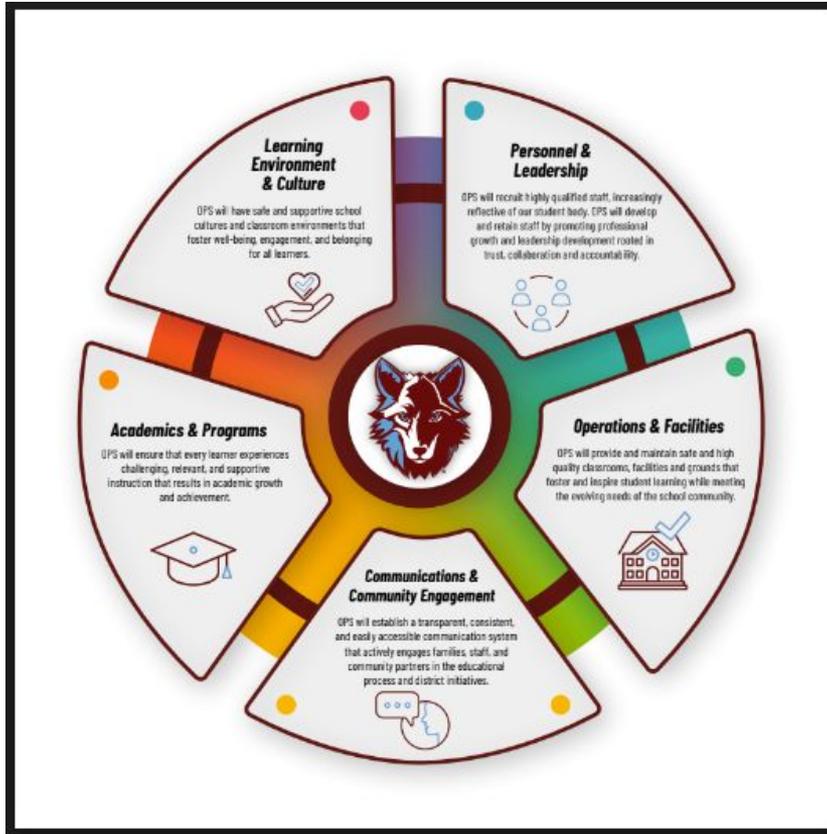
Are these separate or part of safety and/or support?

# Perception Survey Development: Intentional Alignment

## Example

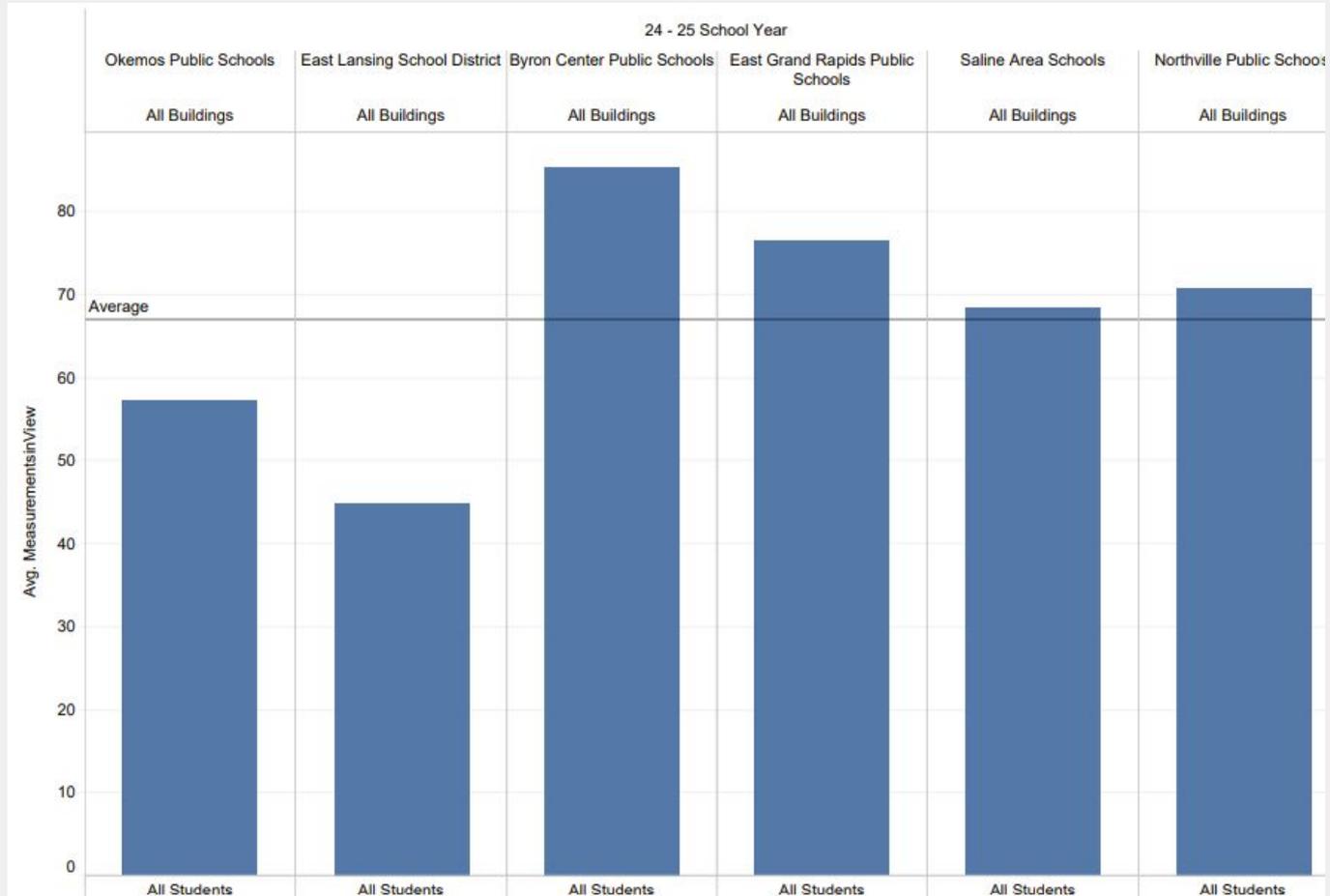


# Strategic Plan: Board Data Sets and 5 Year Outcome Overview

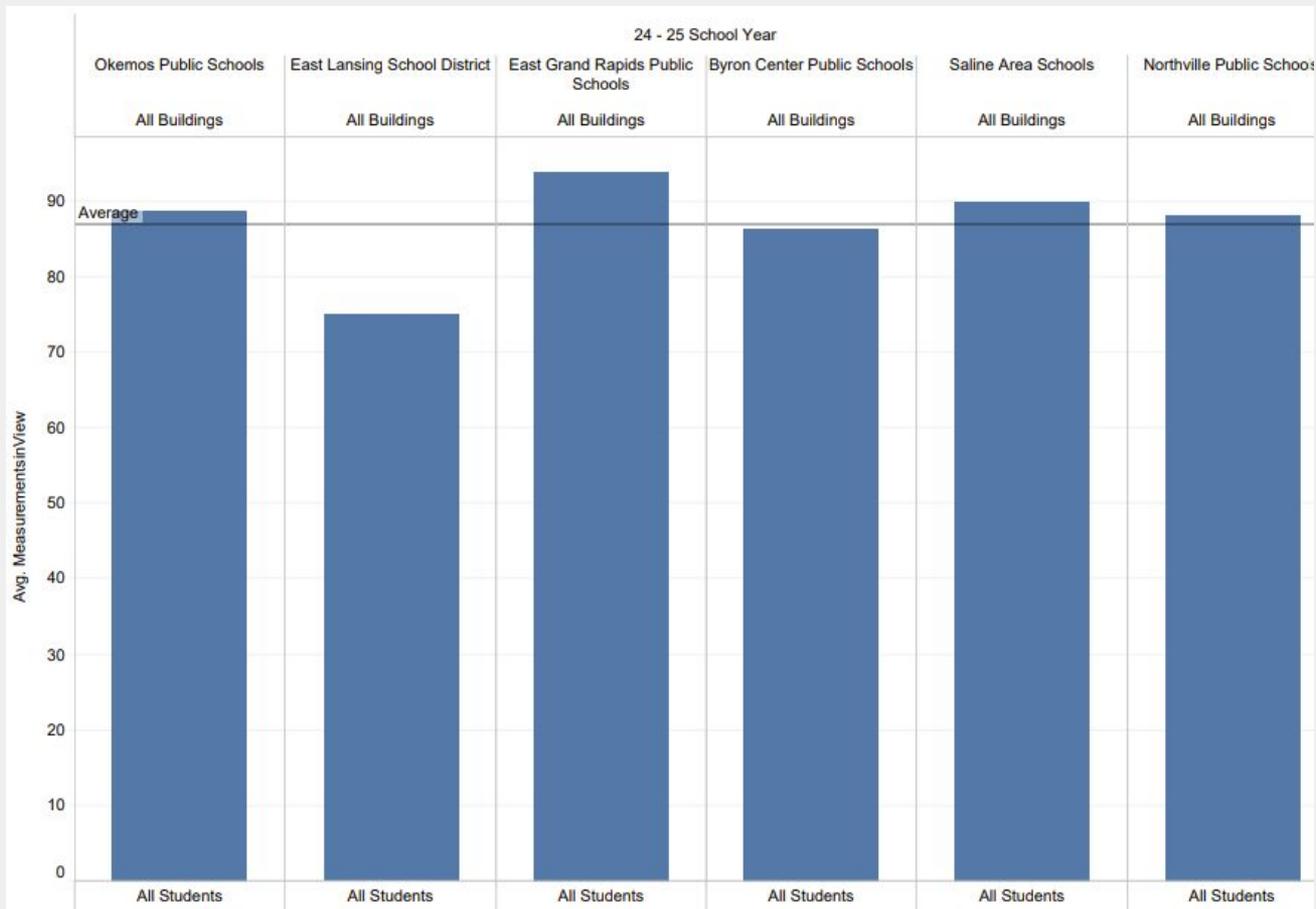


- Where do we stand in our cohort group?
- What Board Level data sources should be utilized?
- What is the frequency of data collection and updates?  
(Worksession)

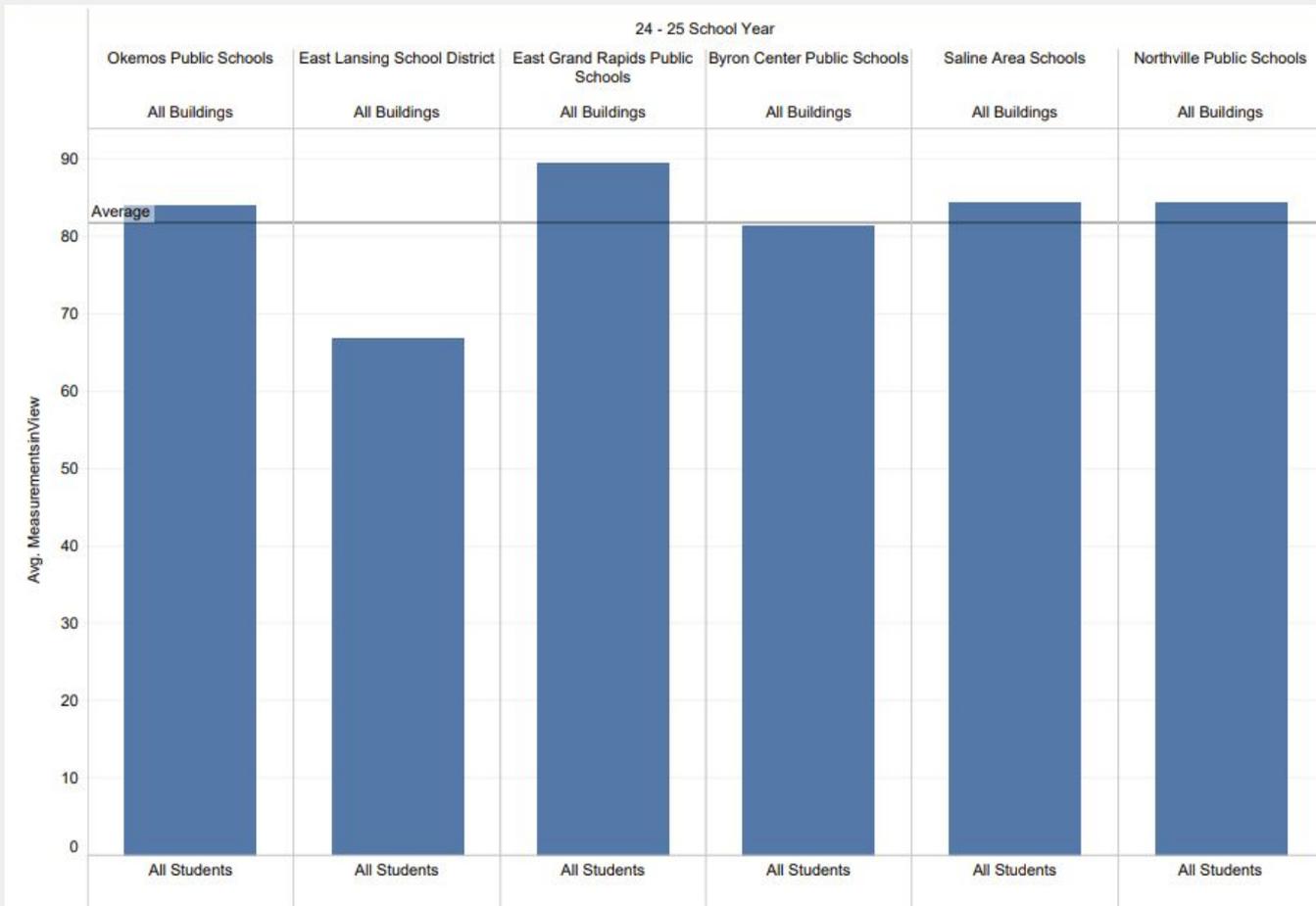
# Cohort Data: MSTEP ELA - 3rd Grade



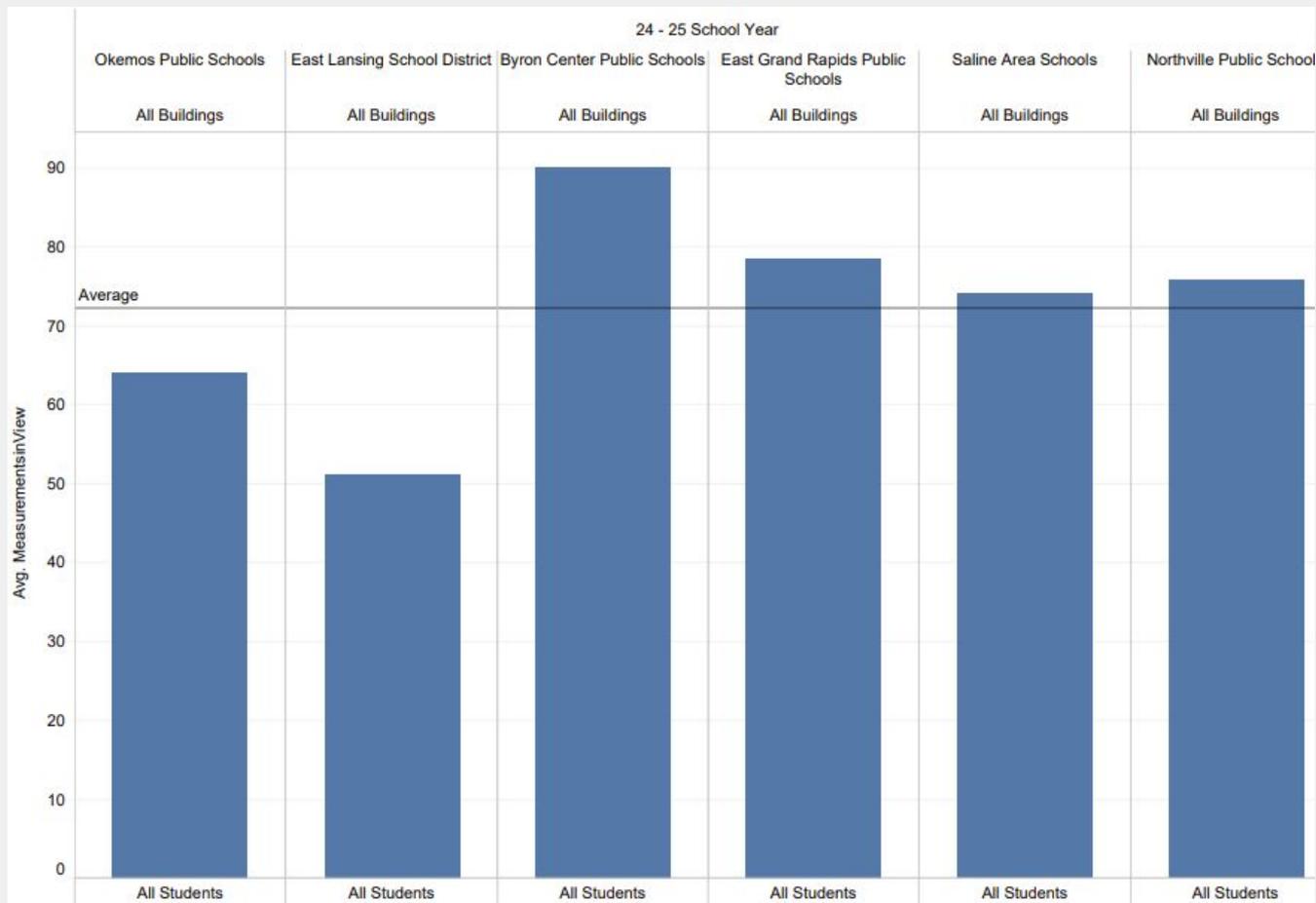
# Cohort Data: PSAT ELA - 8th Grade



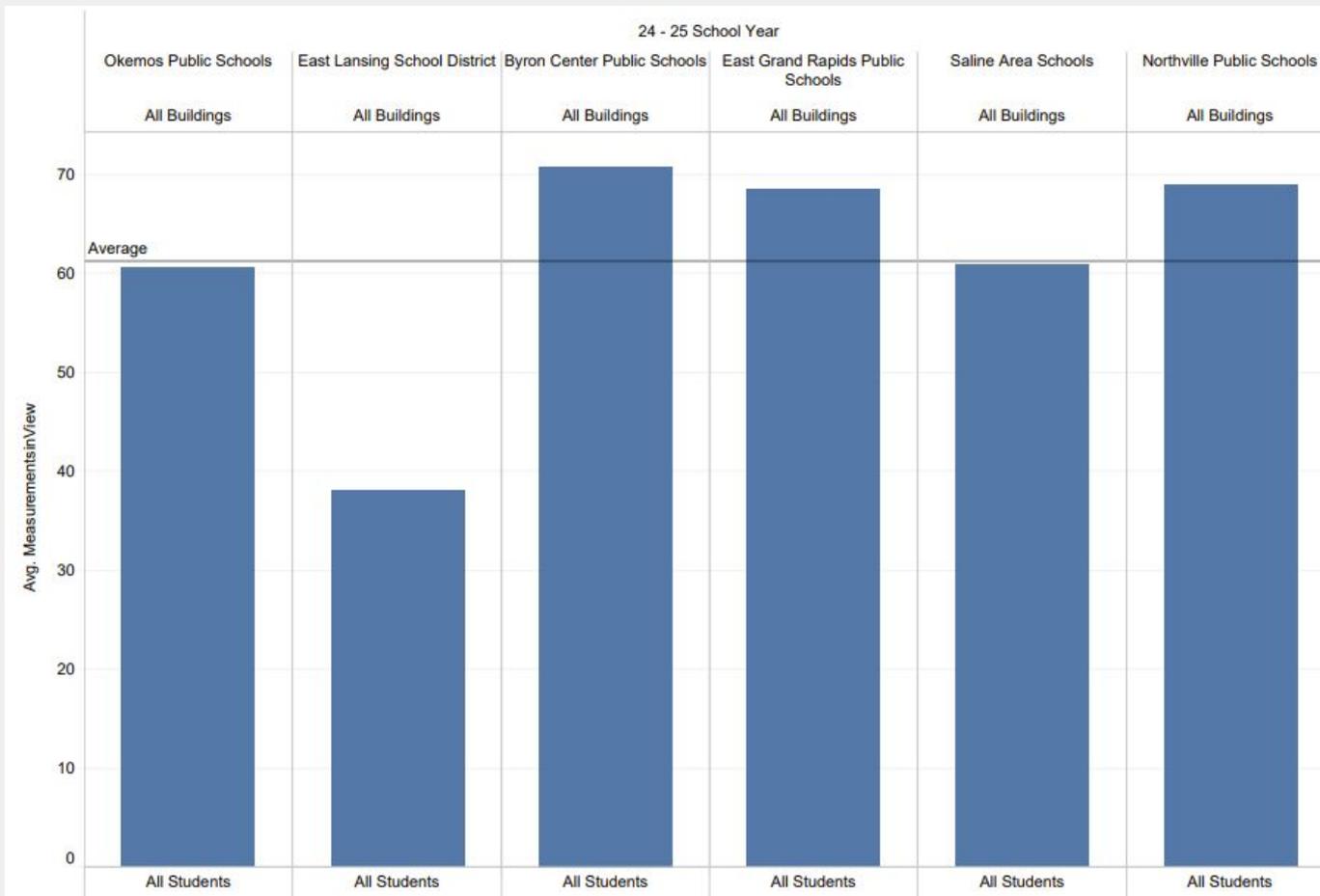
# Cohort Data: SAT ELA - 11th Grade



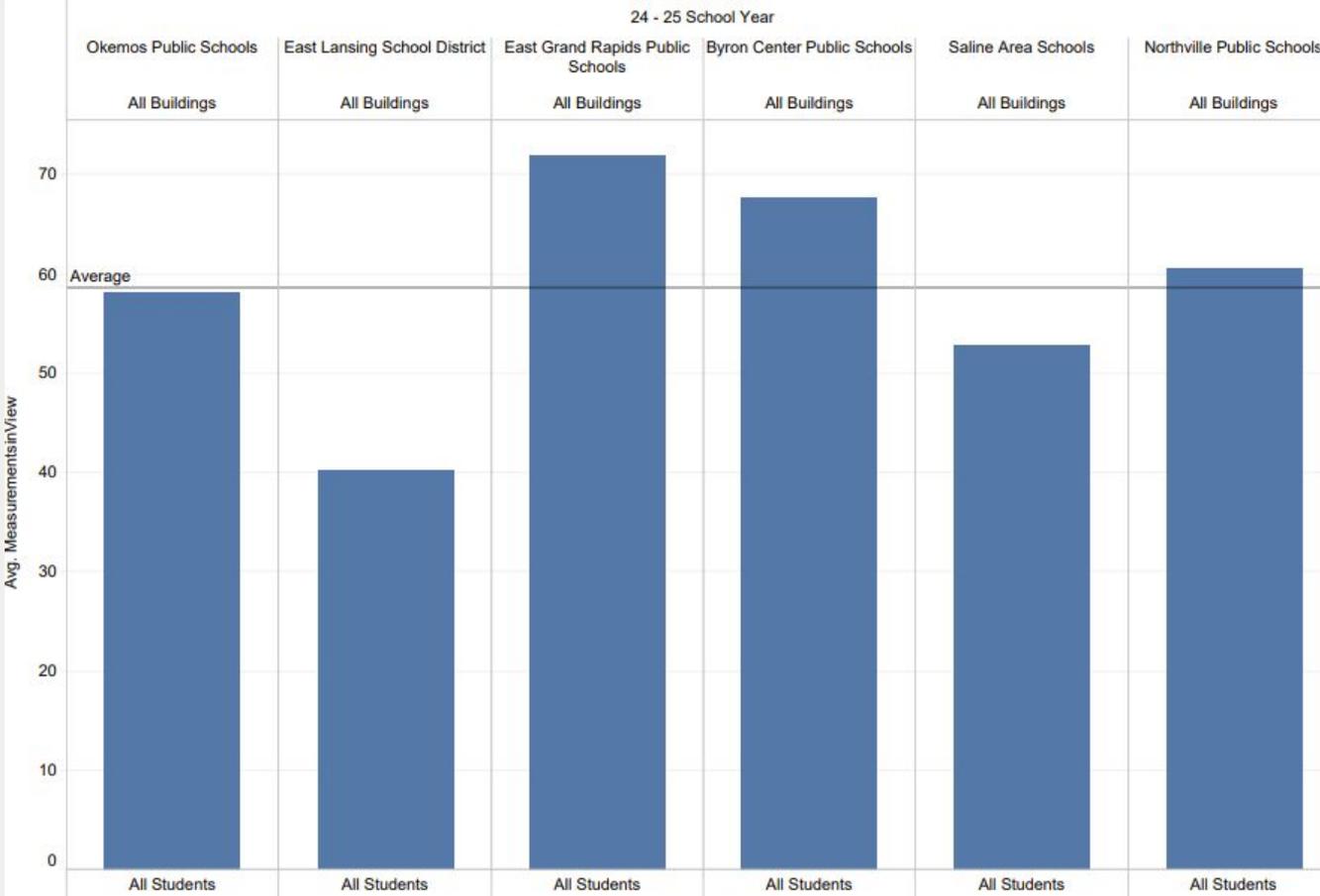
# Cohort Data: MSTEP Math- 3rd Grade



# Cohort Data: PSAT Math - 11th Grade



# Cohort Data: SAT Math - 11th Grade



# OPS Achievement Data & Goals

	M-STEP						PSAT/SAT					
	Spring 22-23	Spring 23-24	Goal Spring 24-25	Spring 24-25	Goal Spring 25-26		Spring 22-23	Spring 23-24	Goal Spring 24-25	Spring 24-25	Goal Spring 25-26	Strategic Plan Target 30-31
ELA	65% (3rd-61.7%)	63.8% (3rd-63.3%)	66.8%	63.4% (3rd-57.1%)	% (3rd-61.7%)		83.7%	86.3%	89.3%	86.5%		3rd 80% +4.6%
Math	54.2%	54.7%	57.7%	56.3%			67.3% (8th-55.7%)	61.8% (8th-64.1%)	64.8%	59.4% (8th-60.6%)	% (8th-64.7%)	8th- 80% +4.1%

# OPS Growth Data & Goals- NWEA

**If students have an increase in expected growth on NWEA, then it will lead to an increase in student proficiency on M-STEP.**

	Fall-Spring 22-23 Actual Data	Fall-Spring 23-24 Actual Data	Fall-Spring 24-25 Goal	Fall-Spring 24-25 Actual Data	Strategic Plan Target Fall-Spring 30-31
K-10th grade students that met their expected <b>growth in literacy</b>	<b>43.4%</b>	<b>54.5%</b>	<b>62.5%</b>	<b>53.1%</b>	<b>100%</b>
K-10th grade students that met their expected <b>growth in math</b>	<b>36.3%</b>	<b>58.5%</b>	<b>66.5%</b>	<b>64.9%</b>	<b>100%</b>

# Cohort Data: 4 Year Graduation

<b>District</b>	<b>Four Year Cohort Graduation Rate</b>
<b>East Lansing School District</b>	90.22
<b>Byron Center Public Schools</b>	96.02
<b>East Grand Rapids Public Schools</b>	97.52
<b>Saline Area Schools</b>	94.66
<b>Northville Public Schools</b>	96.47
<b>Average in Cohort</b>	94.98
<b>Okemos Public Schools</b>	93.62

## Board Level Data Sets

Literacy	<ul style="list-style-type: none"><li>● 3rd grade proficiency 80% (M-STEP)</li><li>● 8th grade proficiency 90% (PSAT)</li><li>● 11th grade proficiency 90% (SAT)</li><li>● K-10th grade fall-spring growth 100% (NWEA)</li></ul>
Math	<ul style="list-style-type: none"><li>● 3rd grade proficiency 80% (M-STEP)</li><li>● 8th grade proficiency 80% (PSAT)</li><li>● 11th grade proficiency 80% (SAT)</li><li>● K-10th grade fall-spring growth 100% (NWEA)</li></ul>
Graduation Rate	<ul style="list-style-type: none"><li>● 4-year Graduation Rate 96% (<a href="http://mischooldata.org">mischooldata.org</a>)</li></ul>
Perception	<ul style="list-style-type: none"><li>● Students, staff and families will report challenging, relevant and supportive instruction 100% (Perception survey)</li></ul>

# Cohort Data: Attendance

District	Attendance Rate (all)	% Chronically Absent
East Lansing School District	91.9	26.4
Byron Center Public Schools	94.31	11.3
East Grand Rapids Public Schools	95.62	5.7
Saline Area Schools	94.31	13.2
Northville Public Schools	94.27	13.2
Average in Cohort	94	14
Okemos Public Schools	94	16.8

## Board Level Data Sets

Attendance	<ul style="list-style-type: none"><li>● K-12 attendance rate 96% (mischooldata.org)</li><li>● Percentage of chronically absent K-12 students 12.5% (mischooldata.org)</li></ul>
Perception	<ul style="list-style-type: none"><li>● Students, staff and families will report safe and supportive school cultures and classroom environments that foster well-being, engagement, and belonging for every learner. 100% (perception survey)</li><li>● 7th, 9th, 11th grade students will report feeling safe, meaningful coursework, and enjoyment at school. 100% (MiPHY survey)</li></ul>

## Board Level Data Sets

Engagement	<ul style="list-style-type: none"><li>● District social media engagement (likes, comments, shares, and views) (Social media analytics)</li></ul>
Perception	<ul style="list-style-type: none"><li>● Staff and families will report a transparent, consistent and easily accessible communication system. 100% (Perception Survey)</li><li>● Staff and families will report feeling actively engaged in the educational process and district initiatives. 100% (Perception Survey)</li></ul>

# Cohort Data: Teacher Longevity

## Board Level Data Sets

### *Personnel & Leadership*

Staffing	<ul style="list-style-type: none"><li>● Teachers with 5 or more years in OPS 75% (Munetrix)</li></ul>
Perception	<ul style="list-style-type: none"><li>● Students, staff and families will report a highly qualified staff. 100% (Perception Survey)</li><li>● Students, staff and families will report staff are increasingly representative of our student body. 100% (Perception Survey)</li><li>● Staff will report professional growth and leadership development opportunities. 100% (Perception Survey)</li><li>● Staff and families will report increasing trust, collaboration and accountability. 100% (Perception Survey)</li></ul>



**Operations & Facilities**

## Board Level Data Sets

Annual Operations	<ul style="list-style-type: none"><li>● District infrastructure inventory (Budgeting and Replacement Plan)</li><li>● District facility plan (Long Range Facilities Plan)</li></ul>
Perception	<ul style="list-style-type: none"><li>● Students, staff, and families will report safe classrooms, facilities and grounds. 100% (Perception Survey)</li><li>● Students, staff, and families will report high-quality classrooms, facilities, and grounds. 100% (Perception Survey)</li><li>● Students, staff, and families will report student learning meets the evolving needs of the community. 100% (Perception Survey)</li></ul>

## **Next Steps:**

Board Work-session Follow Up

Topic: When should data be shared?

# Strategic Plan

Operational Overview: Part 1

Year One Activities/Strategies and Evidence

**Okemos Public Schools**

John J. Hood - Superintendent

09.08.25



# Overview of Tonight's Presentation

<b>Goals (Board)</b>	Adopted June 2025
<b>Activities/Strategies (Admin)</b>	Year one strategies selected (1-4 per goal area) Years two through five brainstormed
<b>Evidence (Admin)</b>	Year one evidence defined
<b>If so... then what? (Admin)</b>	Rationale defined for strategy
<b>Implementation Plans (Admin)</b>	Implementation plans under development (worked sample)
<b>Five Year Goals (Admin) Monitoring (Board)</b>	Goals and measures selected ( <b>next BOE meeting</b> )

# Strategic Plan: Core Values

## **OUR BELIEFS AND VALUES**

Okemos Public Schools believes in honoring the individuality of every learner, recognizing that each person brings unique experiences, strengths, and potential for growth. We are committed to nurturing communities that are safe, empathetic, and actively engaged, where every voice is valued and respected. Our culture is grounded in innovation, integrity, and a shared pursuit of excellence, ensuring that all members are empowered to thrive and contribute meaningfully to the world around them.

# Strategic Plan: Mission and Vision



## **MISSION STATEMENT**

*"Together educating with excellence, empowering every learner for life."*



## **VISION STATEMENT**

*"Every learner. Every day. Stronger Together."*



## **Communications & Community Engagement**

OPS will establish a transparent, consistent, and easily accessible communication system that actively engages families, staff, and community partners in the educational process and district initiatives.



## **Personnel & Leadership**

OPS will recruit highly qualified staff, increasingly reflective of our student body. OPS will develop and retain staff by promoting professional growth and leadership development rooted in trust, collaboration and accountability.



## **Academics & Programs**

OPS will ensure that every learner experiences challenging, relevant, and supportive instruction that results in academic growth and achievement.



## **Learning Environment & Culture**

OPS will have safe and supportive school cultures and classroom environments that foster well-being, engagement, and belonging for all learners.



## **Operations & Facilities**

OPS will provide and maintain safe and high quality classrooms, facilities and grounds that foster and inspire student learning while meeting the evolving needs of the school community.

# Strategic Plan: Goal Areas

## The What! - The School Board

Developed by:

Staff

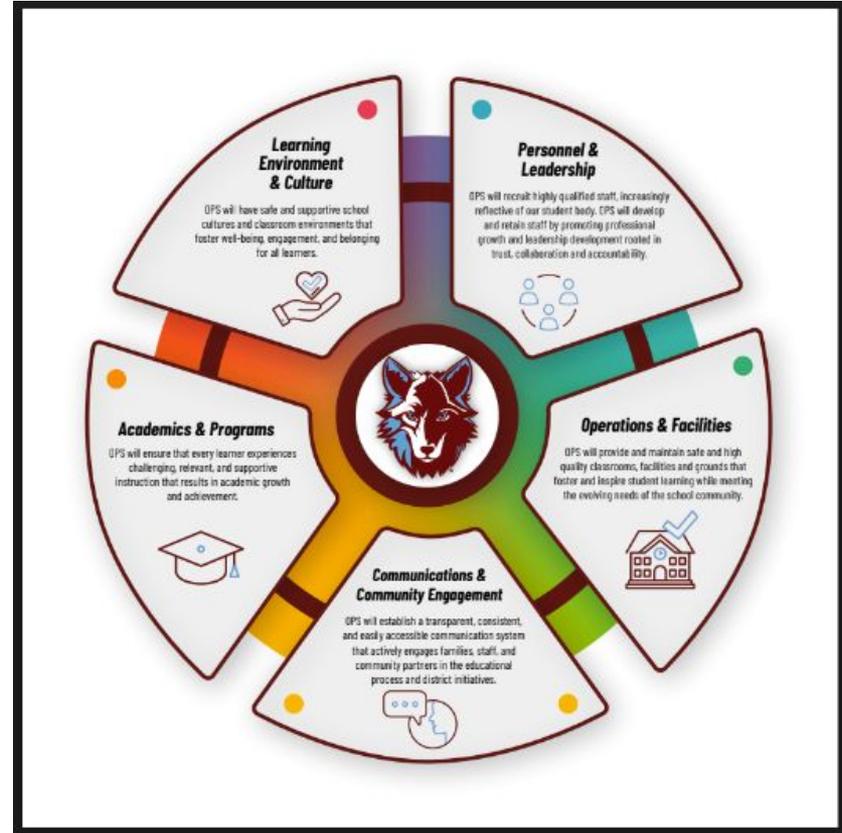
Students

Parents

Community

Board

Adopted by Board



# Strategic Plan: Operational Plan

## The How! - Administrative Team

Developed by:

Principals

Directors

Assistant Principals

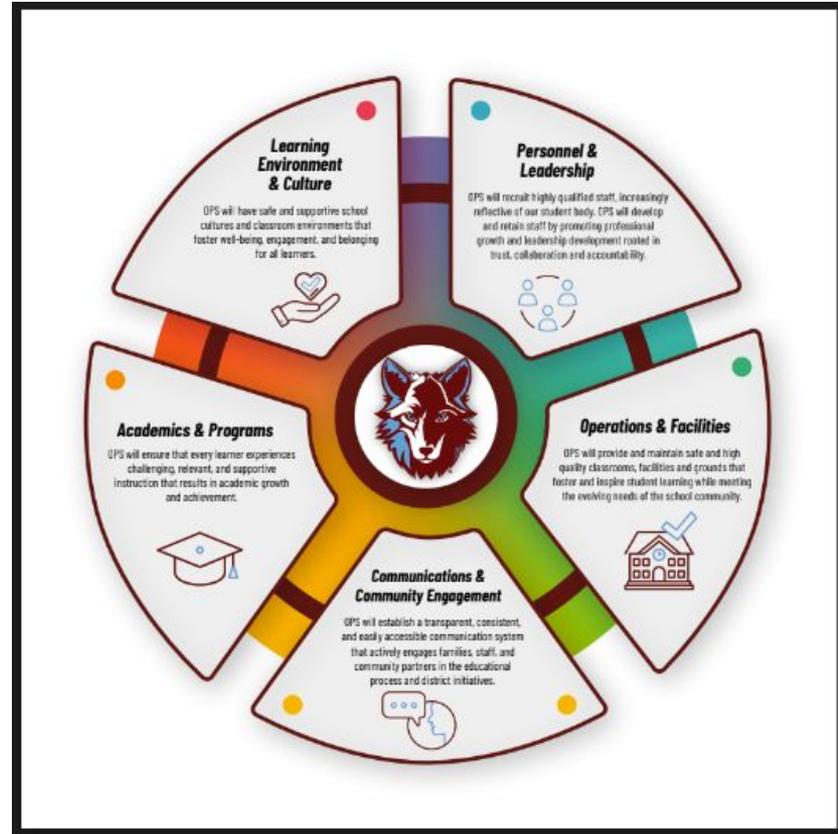
Coordinators

Assistant Superintendent

Superintendent

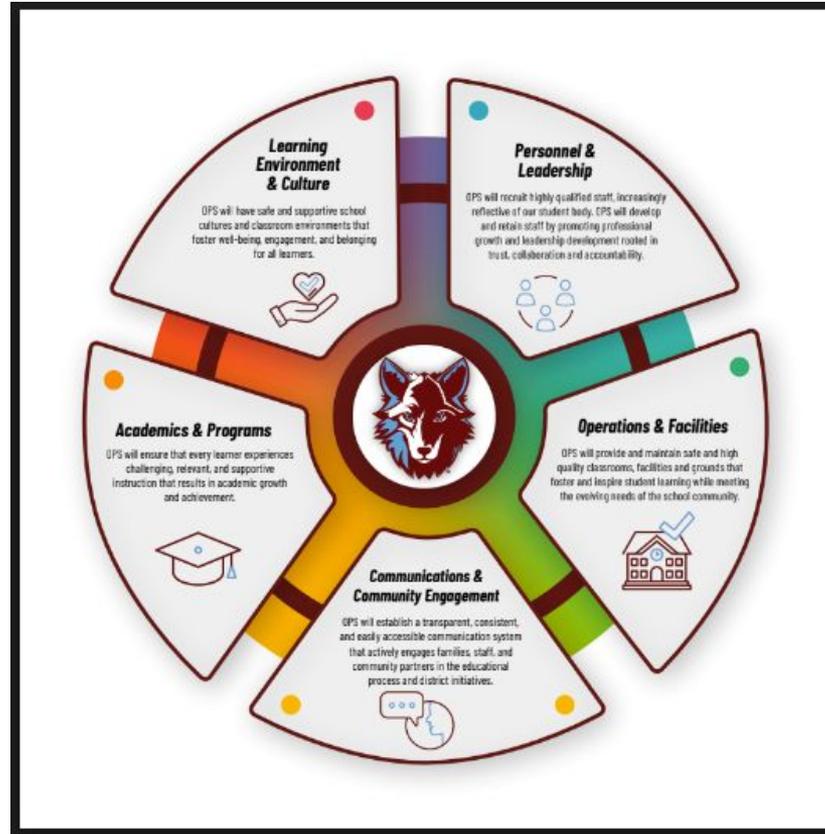
Leadership Implements

Board Monitors Outcomes





# Strategic Plan: Year 1 Operational Plan Overview





## Year One Activities

Portrait of a learner exploration

Framework for Teaching-  
Danielson Model for professional  
practice implemented

MTSS: Academic Differentiation



### **Academics & Programs**

OPS will ensure that every learner experiences challenging, relevant, and supportive instruction that results in academic growth and achievement.



## **Year One Evidence**

Agendas and minutes, communication to stakeholders, examples from other districts, Year 2 Development Process

Trainings, observations, feedback meetings, iwalks, teacher evaluation feedback, committee meetings

Define current reality of academic differentiated opportunities.  
Data collection & analysis process.  
Recommendation for next steps in Year 2.



## If then, so what?

If the district develops **portrait of learner**, students will develop the skills necessary to succeed so that every learner experiences challenging, relevant, and supportive instruction that results in academic growth and achievement.

If the “**Framework for Teaching**” is implemented effectively then teachers will use best instructional practices, so that every learner experiences challenging, relevant, and supportive instruction that results in academic growth and achievement.

If the district successfully implements **differentiated academic opportunities**, then more student academic learning needs will be met, so that every learner experiences challenging, relevant, and supportive instruction that results in academic growth and achievement.



## **Learning Environment & Culture**

OPS will have safe and supportive school cultures and classroom environments that foster well-being, engagement, and belonging for all learners.



## **Year One Activities**

Portrait of a learning space exploration and development

Evaluate student-school connections

Implement revised suicide prevention assessment tool



## Year One Evidence

Professional development. Building walkthroughs. Characteristics identified. Communication to stakeholders. Year 2 Plan for Design and Implementation.

Define current reality of student-school connection  
Gather connection data  
Assess areas of success and need

Model developed  
Policy written and adopted  
Guidelines written  
Website updated  
Training occurs



## If then, so what?

If we create a **portrait of a learning space**, then all students will have purposeful and aligned learning environments, so OPS will have safe and supportive environments that foster well-being, engagement and belonging for every learner.

If we better understand the **connections students have to schools**, we will improve opportunities to foster stronger relationships so OPS will have safe and supportive environments that foster well-being, engagement and belonging for every learner.

If we implement an improved **suicide assessment prevention tool**, we will improve mental health supports for students so OPS will have safe and supportive environments that foster well-being, engagement and belonging for every learner.



### ***Communications & Community Engagement***

OPS will establish a transparent, consistent, and easily accessible communication system that actively engages families, staff, and community partners in the educational process and district initiatives.



## **Year One Activities**

Implement student, staff and parent perception survey tools

Review district and school newsletters and communications

Implement ADA compliant district web and social media presence

# Year One Evidence

Questions developed  
Survey administered (fall, spring)  
Data baseline analysis shared  
Data comparisons shared  
Future planning

Communication modality data gathered  
Modes identified (ex: Canva, Google, Smore, etc.)  
Consistent district wide elements defined  
Meeting minutes  
Template Developed  
Training and examples

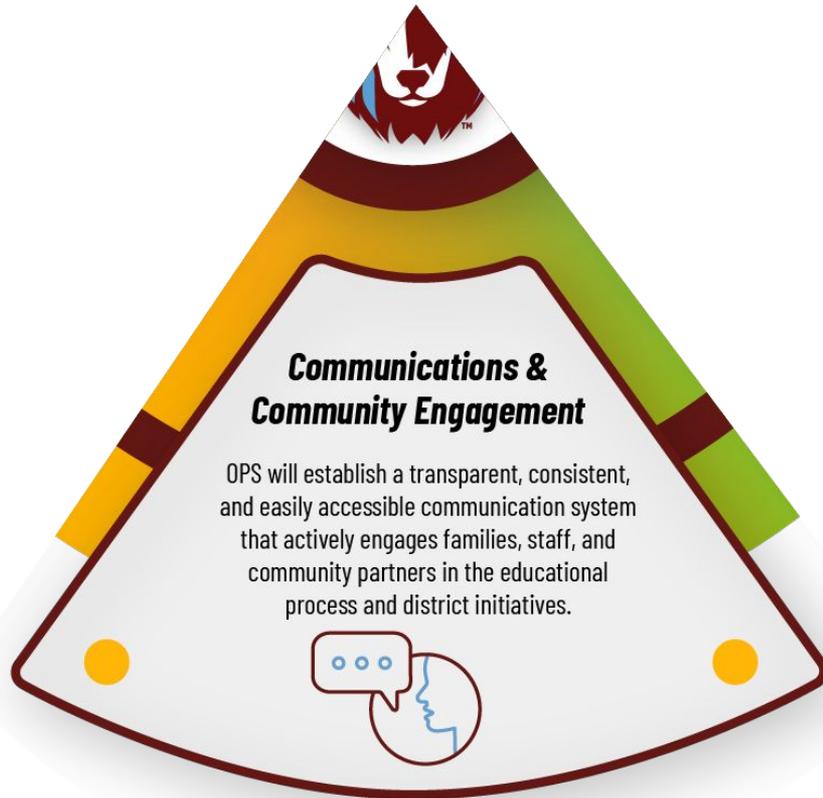
Official district accounts created  
Posts on Facebook, Instagram, X, Flickr  
Investigation of best practices  
Meeting minutes  
Compliant web pages  
Graphs/charts of SM baseline metrics/goals  
Updated 26-27 plan



## **Communications & Community Engagement**

OPS will establish a transparent, consistent, and easily accessible communication system that actively engages families, staff, and community partners in the educational process and district initiatives.





## If so, then what?

If the district develops and implements a recurring **perception survey** and analysis, then the district will gather actionable insights from stakeholders so OPS will establish a transparent, consistent, and easily accessible communication system and improve engagement with families, staff, and community partners in the educational process and district initiatives.

If we create more **effective electronic communications** then families and staff will be better informed so that OPS will improve engagement with families, staff, and community partners in the educational process and district initiatives.

If the district implements an ADA compliant **web and social media presence**, more stakeholders will be informed and OPS will improve engagement with families, staff, and community partners in the educational process and district initiatives.

A graphic with a white background and a dark red border, shaped like a shield or a banner. It features a teal circle in the top left corner, the title "Personnel & Leadership" in bold black text, a paragraph of text, and an icon of three people in a circle. The graphic is set against a background of teal and dark red shapes, including a stylized animal head in the bottom left corner.

**Personnel & Leadership**

OPS will recruit highly qualified staff, increasingly reflective of our student body. OPS will develop and retain staff by promoting professional growth and leadership development rooted in trust, collaboration and accountability.



## Year One Activities

Develop robust leadership mentor program

Review and improve process for recruitment and retainment of staff

Increase financial knowledge base across leadership team

**Personnel & Leadership**

OPS will recruit highly qualified staff, increasingly reflective of our student body. OPS will develop and retain staff by promoting professional growth and leadership development rooted in trust, collaboration and accountability.

## Year One Evidence

Mentor program development with structured activities: leadership goal setting, meetings, reflection protocols.

Surveys or feedback forms, testimonials. Year 2 Implementation plan.

Define hiring process and time to hire and onboard  
Increase targeted postings/Attendance at job fairs

Data of applicant pools

Stay focus group data

Annual staff profile

Wellness program in development

Professional development

Account oversight

Focus groups data

Budget oversight improvements



## If so, then what?

If we develop a **robust mentorship program for all leaders**, then leaders will be able to better understand what success looks like in Okemos and OPS will promote professional growth and leadership development rooted in trust, collaboration and accountability.

If we **improve process for recruitment and retainment of staff**, then we will recruit highly qualified staff, increasingly reflective of our students body and promote professional growth and leadership development rooted in trust, collaboration and accountability.

If leaders have **improved knowledge of financial systems**, then they will be able to more independently manage their responsibilities with budget and OPS will promote professional growth and leadership development rooted in trust, collaboration and accountability.

### ***Operations & Facilities***

OPS will provide and maintain safe and high quality classrooms, facilities and grounds that foster and inspire student learning while meeting the evolving needs of the school community.



## **Year One Activities**

Develop funding plan for future operational needs

Develop replacement cycles across departments

Implement relocation plans for CMS and Cornell

Increase operational efficiencies:  
Investigate copier/printing services



### **Operations & Facilities**

OPS will provide and maintain safe and high quality classrooms, facilities and grounds that foster and inspire student learning while meeting the evolving needs of the school community.



## **Year One Evidence**

Board presentation, action  
Financial models, timelines  
Current needs assessment/ Big rocks  
Pros and cons

Written replacement cycles  
for major purchases in operations, technology,  
transportation and food service

Farewell activities  
Building clean out  
Moving plan  
Communications/surveys  
Transportation plan

Data analysis of copies/print shop  
Third party vs OPS evaluation  
Equipment review  
Cost comparison  
Recommendation (1/27)

## **Operations & Facilities**

OPS will provide and maintain safe and high quality classrooms, facilities and grounds that foster and inspire student learning while meeting the evolving needs of the school community.



## **If so, then what?**

If we develop a future funding plan for operational and facility needs, the district can be intentional about meeting long range planning needs to forecast to the community so OPS can better provide safe and high quality classrooms, facilities and grounds that foster and inspire student learning while meeting the evolving needs of the community.

If we create replacement cycles for major purchases we can be proactive in our labor, staffing and budgeting across departments/buildings, and OPS will better provide safe and high quality classrooms, facilities and grounds that foster and inspire student learning while meeting the evolving needs of the community.

If we implement relocation plans for CMS and Cornell, our students, staff and parents will know what to expect and have a positive transition to safe and high quality classrooms, facilities and grounds that foster and inspire student learning while meeting the evolving needs of the community.

If we investigate operational efficiencies in the print shop/copiers, we will ensure the most efficient use of resources and staffing that may allow us additional resources to for OPS to provide safe and high quality classrooms, facilities and grounds that foster and inspire student learning while meeting the evolving needs of the community.

# Goal Area: Operational Example

Goal Area	Year 1 Activity/Strategy	Evidence	If then...so what?
Learning Environment & Culture	Suicide Prevention Assessment Tool Revised	Model developed Policy written and adopted Guidelines written Website updated Training occurs	If implement an improved <b>suicide assessment prevention tool</b> , we will improve mental health supports for students so OPS will have safe and supportive environments that foster well-being, engagement and belonging for every learner.

# Goal Area: Operational Example

## Action Plan Example

Goal 2 Culture_3							
Tr	Suicide Prevention Assessment Process Revised	Status	Owner	Stage	Tr	Notes	Evidence/Artifact
	Assess Current Suicide Assessment Process	Completed	Katherine Diehl	Quarter 1		Notes	Meeting minutes
	Define Model Suicide Assessment Process	In progress	Katherine Diehl	Quarter 1		Notes	
	Propose Updated Model	In progress	Committee	Quarter 2		Notes	Model Developed
	Feedback on Model	Not started	Committee	Quarter 2		Notes	
	Develop Board Policy	Not started	John Hood , Margaret	Quarter 3		Notes	Policy Written and Adopted
	Develop Administrative Guidelines	Not started	John, Katie, Margaret	Quarter 3		Notes	Guidelines written
	Develop Website Resources	Not started	Katherine Diehl	Quarter 4		Notes	Website updated
	Train Staff on updated process	Not started	Counselors, Social Worker:	Quarter 4		Notes	Training occurs

# Goal Area: Operational Example

## Suicide Prevention Assessment Tool: Implementation Dashboard

*This dashboard uses red/yellow/green indicators to quickly show implementation progress across five key areas: **Board Policy, Suicide Assessment, Administrative Guidelines, Professional Development, and Communication Plan.***

Category	 Not Yet Implemented	 In Progress	 Fully Implemented & Sustained
<b>Board Policy</b>	No board policy or only vague references.	Draft or adopted policy exists but not applied consistently.	Approved policy aligned to law & best practices; reviewed on regular cycle.
<b>Suicide Assessment</b>	No standardized tool; ad hoc responses.	Assessment tool identified/piloted; training inconsistent.	Standardized, evidence-based tool used districtwide; consistent with referral pathways & fidelity checks.
<b>Administrative Guidelines</b>	No written guidelines for crisis response.	Draft guidelines exist but limited awareness/training.	Clear written guidelines accessible and consistently followed across all schools.
<b>Professional Development</b>	No staff training provided.	Some staff trained (counselors/admin) but not system wide.	Ongoing districtwide PD with annual refreshers; specialized training for key staff.
<b>Communication Plan</b>	No protocols for students, families, or staff.	Draft plan exists; communication is inconsistent.	Comprehensive plan implemented; culturally responsive; reviewed & updated regularly.

# Goal Area: Operational Example

## Year Two through Five Brainstorm

### Monitor Effectiveness

- Know thy impact (Hattie)

### Next best thing...

### Strategies that Support Goal

- Survey Data
- PBIS
- Youth Mental Health First Aid
- E3
- SEL Curriculum
- Restorative Meetings



**Next Meeting:  
Strategic Plan - Five Year Goals  
Board Monitoring**

Strategic Goal Areas	Five Year Data Sources	Five Year Targets
<p><b>1. Academics &amp; Programs</b></p> <p><i>OPS will ensure that every learner experiences challenging, relevant, and supportive instruction that results in academic growth and achievement.</i></p>	<p>NWEA (Growth) - Spring MSTEP (Achievement) - Fall PSAT (Achievement) - Fall SAT (Achievement) - Fall</p> <p>OHS Graduation Rate - Fall Perception Survey Results - Fall, Spring Annual Strategy Evidence</p>	<p>All K-10 students will meet or exceed their yearly NWEA growth goal (100%)</p> <p>Math and ELA -MSTEP 3rd grade proficiency (80%) -PSAT 8th grade proficiency y (80% Math) (90% ELA) -SAT 11th grade college and career readiness (80% Math) (90% ELA)</p> <p>Okemos High School will increase its four year cohort graduation percentage to 96%.</p> <p>Intermediary goal: Establish current benchmark for perception survey data in Fall 2025 and set annual increase benchmarks.</p> <p>100% of students, staff and families will report challenging, relevant and supportive instruction (Perception survey)</p>
<p><b>2. Learning Environment &amp; Culture</b></p> <p><i>OPS will have safe and supportive school cultures and classroom environments that foster well-being, engagement, and belonging for every learner.</i></p>	<p>OPS Attendance Rates - Fall miPHY Student Survey Results - Fall, Every 2 years Perception Survey Results - Fall, Spring Annual Strategy Evidence - Spring</p>	<p>OPS will decrease number of chronically absent students to 12.5%.</p> <p>OPS will increase average daily attendance by to 96%.</p> <p>100% of students will report feeling safe, meaningful coursework, and enjoyment at school on the miPHY.</p> <p>Intermediary goal: Establish current benchmark for perception survey data in Fall 2025 and set annual increase benchmarks.</p> <p>100% of students, staff and families will report safe and supportive school cultures and classroom environments that foster well-being, engagement, and belonging for every learner. (Perception Survey)</p>
<p><b>3. Communications &amp; Community Engagement</b></p> <p><i>OPS will establish a transparent, consistent, and easily accessible communication system that actively engages families, staff, and community partners in the educational process and district initiatives.</i></p>	<p>Communications Engagement Growth Data - Spring Perception Survey Results - Fall, Spring Annual Strategy Evidence - Spring</p>	<p>Intermediary goal: Establish baseline metrics across all platforms in Fall 2025 and craft a 10% goal increase in year one from baseline.</p> <p>Over the next five years, the district will increase social media engagement (likes, comments, shares, and views) by at least 50%, strengthening connections with students, families, staff, and the broader community.</p> <p>Intermediary goal: Establish current benchmark for perception survey data in Fall 2025 and set annual increase benchmarks.</p> <p>100% of staff and families will report a transparent, consistent and easily accessible communication system that actively engages families, staff and community partners in the educational process and district initiatives. (Perception Survey)</p>
<p><b>4. Personnel &amp; Leadership</b></p> <p><i>OPS will recruit highly qualified staff, increasingly reflective of our student body, OPS will develop and retain staff by promoting professional growth and leadership development rooted in trust, collaboration and accountability.</i></p>	<p>Staff Demographic Data- Winter Hiring/Retainment Data- Winter Perception Survey Results- Fall, Spring Annual Strategy Evidence - Spring</p>	<p>Teachers with 5 or more years in OPS 75% (Munetrix)</p> <p>Intermediary goal: Establish current benchmark for perception survey data in Fall 2025 and set annual increase benchmarks.</p> <p>100% of staff and families will report a highly qualified retentive staff, increasingly relevant of our students body with professional growth and leadership development rooted in trust, collaboration and accountability. (Perception Survey)</p>
<p><b>5. Operations &amp; Facilities</b></p> <p><i>OPS will provide and maintain safe and high quality classrooms, facilities and grounds that foster and inspire student learning while meeting the evolving needs of the school community.</i></p>	<p>Departmental Operations Plans - Winter Long Range Facility Plan Perception Survey Results - Fall, Spring Annual Strategy Evidence - Spring</p>	<p>100% of district vehicles, major systems (roof, HVAC, boilers, flooring, playgrounds, kitchen, etc.) and technology infrastructure (servers, switches, cameras, doors, PCs, interactive boards, etc.) are inventoried with document life span, replacement cycle and funding plan.</p> <p>Long range facility planning documented through sinking fund or bond, reducing emergency capital expenditures.</p> <p>District replacement planning forecast is updated each year, with a rolling 10-year projection included in budget planning.</p> <p>Intermediary goal: Establish current benchmark for perception survey data in Fall 2025 and set annual increase benchmarks.</p> <p>100% of students, staff and families will report safe and high quality classrooms, facilities and grounds that foster and inspire student learning while meeting the evolving needs of the community.</p>

When	Goal	Data	Modality	Notes
Fall	1. Academics & Programs	MSTEP	Presentation, Website	Growth - Fall to Spring Achievement is annual occurrence Fall- Goal strategies for the year
		PSAT		
		SAT		
		OHS Graduation Rate		
		Perception Survey Results		
	2. Learning Environment & Culture	OPS Attendance Rates	Presentation, Website	
		OPS Chronically Absent Rates		
		MiPHY Student Survey Results		
		Perception Survey Results		
	3. Communications & Community Engagement	Perception Survey Results		
		Perception Survey Results		
		Perception Survey Results		
Winter	4. Personnel & Leadership	Staff Demographic Data- Winter	Annual Report	Winter- Progress of the strategy
		Hiring/Retainment Data- Winter		
	5. Operations & Facilities	Departmental Operations Plans		
Spring	1. Academics & Programs	NWEA Growth	Presentation, Website	Growth - Fall to Spring Annual Strategy Evidence
		Perception Survey Results		
		Annual Strategy Evidence		
	2. Learning Environment & Culture	Perception Survey Results		
		Annual Strategy Evidence		
	3. Communications & Community Engagement	Communications Engagement Growth Data		
		Perception Survey Results		
		Annual Strategy Evidence		
	4. Personnel & Leadership	Perception Survey Results		
		Annual Strategy Evidence		
	5. Operations & Facilities	Perception Survey Results		
		Annual Strategy Evidence		