



*Regular  
Board Meeting*

*Board Room*

*October 16, 2023*



**Fruitport Community Schools**  
**BOARD OF EDUCATION MEETING**  
**Board Room**  
3255 E. Pontaluna Rd, Fruitport 49415  
**Monday, October 16, 2023 - 7:00 p.m.**

**I. CALL to ORDER**

**II. PLEDGE of ALLEGIANCE**

**III. ROLL CALL**

**IV. APPROVAL OF AGENDA**

**V. PRESENTATIONS**

- a. Annual Financial Audit Presentation – Rehmann Robson, LLC
- b. Be NICE Presentation – Tracy Taylor and Jackie Mavrakis

**VI. COMMUNICATIONS**

**VII. SUPERINTENDENT/ADMINISTRATIVE REPORTS**

- 1. Update on Athletic Conference Discussion
- 2. Update on Grade 3-8 M-STEP Comparison Data

**VIII. REMARKS FROM THE PUBLIC\***

**IX. CONSENT AGENDA**

- 1. Approval of Bill Listing (attachment IX-1)

<u>Fund</u>	<u>Amount</u>
<b>General Fund:</b>	\$206,770.36
<b>Other Funds:</b>	
Early Childhood Center	\$3,580.33
Food Service	\$72,972.57
Cooperative Education (ISD) – Tech Millage	\$5,032.00
Capital Projects – Bond (2021)	\$9,228.16
<b>Total Bill List:</b>	<hr/> <b>\$297,583.42</b>

- 2. Acceptance of Monthly Financial Report (attachment IX-2)
- 3. Acceptance of Student Activity Summary Report (attachment IX-3)
- 4. Acceptance of Credit Card and Utilities Report (attachment IX-4)
- 5. Approval of Transfers and ACH Transactions Report (attachment IX-5)
- 6. Approval of Personnel Report (includes confirmation of new hires, resignations, retirees, and transfers) (attachment IX-6)
- 7. Approval of Regular Meeting Minutes from September 18, 2023 (attachment IX-7)

**X. GENERAL BOARD BUSINESS**

1. Fall 2023 Pupil Membership Count Update (No action)
2. Muskegon County School Board Alliance Fall Dinner Reminder (No action)

**XI. BUSINESS & FINANCE COMMITTEE REPORTS & RECOMMENDATIONS**

**Elroy Buckner, Chairperson**

1. Report of Committee Meeting held October 9, 2023 (attachment XI-1)
2. Annual Financial Audit Report (attachment XI-2)
3. School Bus Recommendation (attachment XI-3)

**XII. PERSONNEL COMMITTEE REPORTS & RECOMMENDATIONS**

**Steve Kelly, Chairperson**

1. Report of Committee Meeting held October 9, 2023 (attachment XII-1)
2. Early Childhood Center Staff Recommendation (attachment XII-2)

**XIII. STUDENT AFFAIRS COMMITTEE REPORTS & RECOMMENDATIONS**

**Susan Franklin, Chairperson**

**XIV. BOARD MEMBER REPORTS AND DISCUSSIONS**

**XV. AGENDA ITEMS FOR FUTURE MEETINGS**

The Board will need to confirm the following dates and times:

1. Business & Finance Committee Meeting: November 13, 2023 at 6:00 p.m.
2. Personnel Committee Meeting: November 13, 2023 at 5:00 p.m.
3. Student Affairs Committee Meeting: November 13, 2023 at 5:30 p.m.
4. Board of Education Meeting: November 20, 2023 at 7:00 p.m.

**XVI. REMARKS FROM THE PUBLIC\***

**XVII. ADJOURNMENT**

\*Time is provided for members of the audience to address the Board of Education regarding any topic including items on the agenda. The Board is providing two opportunities for the public to comment during the meeting. The first is for people who wish to bring issues to the Board of Education for board consideration. At the end of the meeting, the Board will provide a brief opportunity for community members to comment on activities and/or discussion that took place during the Board meeting. Time limits may be placed if a large number of individuals would like to address the Board.

Note: Upon request to the Superintendent, the District shall make reasonable accommodation for a person with disabilities to be able to participate in this meeting.

## **FHS Be Nice. - Guided Outline**

- Timeline of how Be Nice originated at FHS
- Student ambassador introductions
  - Why they decided to join Be Nice.
- What Be Nice is in our school currently
  - Be Nice is an action plan
  - It has been proven to save lives
    - Under the leadership of Executive Director Christy Buck, the Foundation enlisted Grand Valley State University researchers to conduct an evidence-based study to prove the effectiveness of Be Nice
    - Results concluded Be Nice creates a positive culture, increases mental health referrals, and increases behaviors that prevent suicide
    - Be Nice encourages us and equips us with the knowledge and confidence to take action when it comes to mental health and suicide prevention
- N - Notice
  - Notice what is different about how someone is thinking, acting, and feeling
- I - Invite
  - Invite yourself to have a conversation when you notice changes
- C - Challenge
  - Challenge the individual and stigma surrounding mental health
- E - Empower
  - Empower yourself and others to concentrate on and engage in protective factors
- Highlights we have done this year
  - Random Acts of Kindness
    - Occurs one time per month
    - Involves every student and teacher at FHS
    - Provides an opportunity for everyone to feel seen and valued
- Featured Fridays
  - Recognizing those students that are actively living by the Be Nice action plan
- Engagement activities with staff
  - Staff vs. student basketball game
    - Helping our students and teachers engage in an activity outside of the traditional classroom

- Partnering with our athletics
  - Football Game
    - Mental Health Awareness Game - bridging the gap between school and community
    - Coming together to show support for mental health/resources
  - Soccer game
    - Mental Health Awareness/Suicide Prevention
    - Soccer players wore purple to show support for suicide prevention
- Empowerment and awareness throughout our building
  - Positive messages on mirrors
  - Educational bulletin boards
  - Posters with motivational sayings
  - Information about mental health and resources shared in morning announcements
- Goals for 2023-24 school year
  - Official launch assembly
    - Refocusing/reteaching the core principles of what Be Nice means
    - Building community with our students and staff that we all value mental health and we are all responsible for implementing the action plan
    - Students will officially sign the pledge to Be Nice
  - Chalkboard Project
    - Coordinating with our DECA program
    - FHS did the Chalkboard Project over 5 years ago and we have had requests to bring it back from both students and staff
    - The purpose is to show that words matter and to change the way we talk to others
    - Help our student body grow confidence and see themselves for everything they are
  - Mental Health Awareness Month 5k Color Run/Walk
    - Coordinating with our National Honor Society
    - Another event to help spread the action plan to our community
    - Students will be in charge of coordinating and hosting the color run
    - Along the run there will be information about mental health and protective factors
    - Will allow our students and community to come together standing in solidarity for mental health
- Summary
  - Exploring what mental health means to you as a board member, family, friend, etc.
  - Why it is important we continue implementation at FHS
  - Our hope that with success and fidelity Be Nice can be implemented across the district
  - Thank you - small gift

## OK Conference Update

From: **Feenstra, David** <[dfeenstra@gpsbulldogs.org](mailto:dfeenstra@gpsbulldogs.org)>  
Date: Mon, Oct 2, 2023 at 10:46 AM  
Subject: Update on schools requesting to withdraw from the OK Conference

Colleagues,

We just received communications from Jerry Hopkins, Superintendent, at Kenowa Hills stating that seven member schools Boards of Education are meeting on Monday, October 9, 2023, to officially request to withdraw from the OK Conference in June of 2024. Jerry did not disclose the names of the member schools taking this action.

We expect to receive official notification from each school board on Tuesday, October 10, 2023.

We will call an Executive Board meeting, via Google meet, for Thursday, October 12, 2023, at 3:00 pm, to discuss our process moving forward. The OK Conference by-laws state that a member school's request to leave requires a ballot vote and approval from 3/4 of member schools to approve withdrawal without two years notice.

We will share additional information as it becomes available.

**PLEASE SHARE THIS INFORMATION WITH YOUR SUPERINTENDENT.**

Dave and Jerry  
OK Conference Commissioners

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October 10, 2023

Four (4) school boards voted unanimously to issue a request to withdraw from the OK Conference on Monday, October 9, 2023. These schools are: Allendale, Cedar Springs, Kenowa Hills, and Lowell. Three (3) additional schools are expected to approve the same measure at their October 16, 2023 board meeting. A link to a news clip from WZZM 13 is linked below:

- Link: [Four schools vote to leave the OK Conference \(WZZM 13 - Grand Rapids\)](#)

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October 10, 2023

From: **David Engbers** <[dengbers@hollandchristian.org](mailto:dengbers@hollandchristian.org)>  
Date: Tue, Oct 10, 2023 at 2:16 PM  
Subject: Future OK Process

To: Megan Pittman <[meganpittman@grwestcatholic.org](mailto:meganpittman@grwestcatholic.org)>, Engbers, Jeff <[jengbers@unitychristian.org](mailto:jengbers@unitychristian.org)>, Jonny Morehouse <[jmorehouse@fruitportschools.net](mailto:jmorehouse@fruitportschools.net)>, James Hogan <[jhogan@springlakeschools.org](mailto:jhogan@springlakeschools.org)>, Eric Talsma <[etalsma@hamiltonschools.us](mailto:etalsma@hamiltonschools.us)>

This communication is to the current schools in the OK Blue planning to be part of the OK Conference in the future. I called both James and Jason today to assure them we are going to do what is best for student-athletes by being professional, but are asking them to respect our need to act quickly with the 41 schools who plan to continue as members of the OK Conference. I also spoke with each of you letting you know this was coming.

The OK Conference office received official communication from 6 schools TODAY requesting departure in June of 2024 (Allendale, Coopersville, Greenville, Kenowa Hills, Lowell and Sparta). A request is expected from Cedar Springs soon and may already be in.

The natural consequences of leaving the OK Conference involve no future ability to shift based on enrollment changes, no long standing officials association relationships, no tiering/rainbows, no collective accountability with a long standing conference... and there are probably others. Each individual school left in the OK Conference has to decide for themselves whether to allow co-ops with these schools and schedule non-conference based on how these schools have chosen to go about leaving the conference on such short notice.

If the group requested to leave in June of 2025, then their request would follow the process prescribed in the by-laws. We would then be tasked with a decision of what alignment to follow for the 24-25 school year. This is not happening. The 7 schools are leaving in June of 2024. This early departure requires 3/4 of the members (36/48) to vote yes allowing them to leave at the end of the 23-24 school year.

**Yes Vote** - While it looks like we are supporting schools not following the process required for all member schools to follow, a reluctant yes vote may really be in our best interest. 36+ yes votes provide clarity and allow us to move on more quickly and into realignment. The 41 schools left in the OK Conference can better move forward professionally.

**No Vote** - This does not change anything for the 7 schools. They can plan for 24-25 just like they are now, but it does not allow the 41 of us to have the clarity needed to move forward now. We cannot be certain of what their response will be to staying another year (even though we know they are leaving), which will delay realignment and leave us in a reactionary position.

**The timeline to prepare for is below.** Please communicate with your principal and superintendent to be sure you are on the same page. Note, this is the fastest possible timeline. If we vote no on departure from the conference or the realignment committee needs more time, this timeline will be extended.

10/10 - The OK Office receives official intention to depart June of 2024

10/12 - After receiving executive board approval, the OK Office will send out a ballot with the question to allow the 7 schools to depart June of 2024 with an option for a Yes Vote or No Vote to all 48 schools.

10/17 - At our OK Blue AD meeting at West Catholic, we will have a chance to communicate/clarify the process in person. We will also have time at the end to talk with Jeff and JT about realignment because they are our current realignment reps.

10/19 - The early membership departure ballot (signed by AD, Princ. & Super.) will be due at noon for an executive council zoom meeting to count the school ballots.

10/24 - We will hold our planned and regular OK Commission (ADs) meeting. Following the meeting there will be two sessions, one for the 41 schools to have a chance to voice their perspective within structured questions. Following will be only the realignment reps. They may come up with a realignment, they may not, but they would meet together in Grandville. This will be a long day for Jeff, JT and the rest of the realignment committee.

10/31 - If we have a realignment proposal on 10/24, we would have an electronic advisory vote from the AD's on 10/31.

11/1 - Executive Board approval to send out realignment ballots to each school.

11/8 - The realignment ballot (signed by AD, Princ. & Super.) will be due at noon for an executive council zoom meeting to count the school ballots.

Please call if you have any questions. An OK Blue agenda for 10/17 is coming soon.

Thanks,

Dave Engbers, CMAA, Athletic Director  
Holland Christian Schools  
OK Blue Conference President



2022-2023 M-STEP Assessment Results - Muskegon County Comparison (Green = 2 pts., Yellow = 1 pt., Red = 0 pts.)																		
	3 - ELA	3 - Math	4 - ELA	4 - Math	5 - ELA	5 - Math	5 - Science	5 - Social Studies	6 - ELA	6 - Math	7 - ELA	7 - Math	8 - Science	8 - SS	Points	Average Points	Free/Reduced %	Predicted Outcome
Fruitport	43.5%	51.1%	51.7%	46.8%	50.3%	32.3%	44.6%	23.6%	32.8%	25.0%	31.1%	27.5%	45.8%	37.5%	24	1.71	57.4%	7
Montague	50.6%	49.4%	61.9%	67.9%	44.9%	44.1%	57.3%	21.6%	25.3%	30.3%	20.3%	43.0%	34.4%	24.4%	22	1.57	49.6%	3
North Muskegon	48.4%	67.7%	39.3%	37.5%	38.5%	32.3%	15.4%	16.9%	45.1%	60.6%	44.3%	60.8%	33.3%	38.4%	21	1.50	34.4%	1
Whitehall	64.1%	61.8%	63.2%	56.0%	47.2%	31.0%	41.7%	7.1%	50.0%	42.0%	36.6%	49.2%	21.9%	21.6%	21	1.50	50.5%	4
Mona Shores	47.1%	45.4%	49.6%	38.0%	56.6%	32.5%	46.0%	20.1%	30.7%	19.6%	27.2%	26.6%	28.3%	26.3%	20	1.43	47.7%	2
Reeths-Puffer	31.5%	27.3%	44.8%	38.0%	38.8%	16.0%	40.9%	7.6%	30.7%	28.3%	33.0%	34.4%	30.6%	22.9%	13	0.93	55.3%	6
Ravenna	31.8%	27.3%	40.9%	9.0%	28.6%	14.3%	13.3%	21.1%	15.7%	14.5%	32.4%	20.6%	32.4%	19.3%	5	0.36	51.3%	5
Three Oaks	25.5%	44.2%	14.3%	9.5%	21.6%	10.8%	27.0%	8.1%	45.0%	20.0%					4	0.40	95.0%	13
Holton	39.6%	47.2%	18.4%	18.4%	33.8%	26.8%	14.1%	4.2%	21.2%	9.4%	25.0%	12.5%	23.1%	7.4%	4	0.29	72.2%	9
Oakridge	40.7%	36.6%	31.9%	23.6%	35.2%	15.6%	32.6%	10.0%	32.5%	18.3%	22.9%	13.0%	21.8%	18.5%	3	0.21	69.3%	8
Timberland	16.7%	35.2%	12.0%	17.3%	7.6%	4.5%	15.9%	4.6%	25.4%	22.2%	14.1%	7.9%	5.6%	0.0%	1	0.07	97.9%	14
Orchard View	21.9%	19.4%	26.3%	14.7%	21.4%	11.8%	7.9%	6.3%	12.0%	7.0%	17.6%	9.4%	23.8%	7.8%	0	0.00	79.6%	10
Muskegon	11.8%	9.5%	14.2%	5.1%	15.7%	3.7%	4.2%	2.1%	8.9%	5.1%	12.0%	8.1%	11.0%	3.1%	0	0.00	87.7%	11
Muskegon Heights	4.3%	0.0%	6.9%	0.0%	5.0%	0.0%	0.0%	0.0%	5.3%	0.0%	4.3%	0.0%	0.0%	0.0%	0	0.00	94.7%	12
															<b>County Average:</b>		<b>63.5%</b>	
2022-2023 M-STEP Assessment Results - Muskegon County Comparison (Grade Level / Subject County Ranking)																		
	3 - ELA	3 - Math	4 - ELA	4 - Math	5 - ELA	5 - Math	5 - Science	5 - Social Studies	6 - ELA	6 - Math	7 - ELA	7 - Math	8 - Science	8 - SS	Rank Points	Average Rank	Free/Reduced %	Predicted Outcome
Fruitport	5	3	3	3	2	4	3	1	4	5	5	5	1	2	46	3.29	57.4%	7
Montague	2	4	2	1	4	1	1	2	9	3	9	3	2	4	47	3.36	49.6%	3
North Muskegon	3	1	7	6	6	3	9	5	2	1	1	1	3	1	49	3.50	34.4%	1
Whitehall	1	2	1	2	3	5	4	9	1	2	2	2	9	6	49	3.50	50.5%	4
Mona Shores	4	6	4	4	1	2	2	4	7	8	6	6	6	3	63	4.50	47.7%	2
Reeths-Puffer	9	10	5	5	5	7	5	8	6	4	3	4	5	5	81	5.79	55.3%	6
Oakridge	6	8	8	7	7	8	6	6	5	9	8	8	10	8	104	7.43	69.3%	8
Ravenna	8	11	6	12	9	9	11	3	11	10	4	7	4	7	112	8.00	51.3%	5
Three Oaks	10	7	11	11	10	11	7	7	3	7					84	8.40	95.0%	13
Holton	7	5	10	8	8	6	10	12	10	11	7	9	8	10	121	8.64	72.2%	9
Orchard View	11	12	9	10	11	10	12	10	12	12	10	10	7	9	145	10.36	79.6%	10
Timberland	12	9	13	9	13	12	8	11	8	6	11	12	12	12	148	10.57	97.9%	14
Muskegon	13	13	12	13	12	13	13	13	13	13	12	11	11	11	173	12.36	87.7%	11
Muskegon Heights	14	14	14	14	14	14	14	14	14	14	13	13	13	13	192	13.71	94.7%	12
															<b>County Average:</b>		<b>63.5%</b>	

**BOARD ACTION REQUEST FORM**

**Meeting Date:** October 16, 2023

To: Board of Education

Attachments # IX-1 through IX-7

From: Jason Kennedy

**Subject to be Discussed and Policy Reference:**

- Bill Listing
- Monthly Financial Report
- Student Activity Summary Report
- Credit Card and Utilities Report
- Transfers and ACH Transactions
- Personnel Report
- Regular Meeting Minutes – September 18, 2023

**Background Information:**

See attached

**Financial Impact:**

**Recommended Action:**

Approval of the Consent Agenda as presented.

**Action Taken:**

**Vote:** \_\_\_ Buckner      \_\_\_ Burgess      \_\_\_ Cole      \_\_\_ Franklin      \_\_\_ Hazekamp  
         \_\_\_ Kelly      \_\_\_ Meeuwenberg



**FRUITPORT COMMUNITY SCHOOLS  
BILL LIST  
Month of September 2023**

<u>FUND</u>	<u>AMOUNT</u>
GENERAL FUND	\$206,770.36
EARLY CHILDHOOD CENTER	\$3,580.33
FOOD SERVICE	\$72,972.57
COOPERATIVE EDUC (ISD) - TECH MILLAGE	\$5,032.00
CAPITAL PROJECTS (BOND)2021	\$9,228.16
<b>GRAND TOTAL</b>	<b><u><u>\$297,583.42</u></u></b>

Fruitport Community Schools Monthly Financial Report 9/30/2023

		GENERAL FUND	SCHOOL SERVICE FUNDS			CAPITAL PROJECTS					Totals
			Food Service	Tech/Security	ECC	Bldg & Site	Capital Projects 2021	2010	2017	2021	
<b>Beginning Fund Balance:</b>		5,089,704	432,824	582,640	713,947	1,534,325	5,449,435	142,624	639,207	117,048	
<b>Revenues:</b>											
Budgeted revenues:		38,563,198	1,585,296	557,500	866,500	-	-	-	-	-	
Actual revenues:											
	Jul.	2,242,646	-	-	80,122	18,309	17,109	5,047	15,862	3,965	2,383,060
	Aug.	355,419	7,797	8,174	73,356	4,926	16,998	90,278	283,738	70,923	911,609
	Sep.	415,001	18,200	2,977	3,135	5,354	16,057	72,497	227,854	56,954	818,029
Total Actual Revenues		3,013,067	25,997	11,151	156,613	28,588	50,165	167,822	527,453	131,843	4,112,698
Pro Rated buget Variance to date: Rev		6,627,732.69	370,327.13	128,224.05	60,012.16						
<b>Expenses:</b>											
Budgeted expenditures:		(38,956,169)	(1,739,666)	(318,410)	(1,021,305)	-	-	-	-	-	
Actual expenditures:^											
	Jul.	(828,016)	(23,297)	(17,657)	(45,401)	(5,000)	46,657	-	-	-	(872,713)
	Aug.	(896,838)	(121,773)	(58,506)	(69,449)	(520,000)	(171,655)	-	-	-	(1,838,220)
	Sep.	(3,604,433)	(145,641)	(9,029)	(31,542)		(9,228)	-	-	-	(3,799,873)
Total Actual Expenses		(5,329,288)	(290,710)	(85,191)	(146,391)	(525,000)	(134,225)	-	-	-	(6,510,805)
Pro Rated budget Variance to date: Exp		(4,409,754.62)	(144,206.35)	5,588.61	(108,934.98)						
<b>Ending Balance to date:</b>		2,773,483	168,111	508,600	724,169	1,037,913	5,365,374	310,446	1,166,660		
<b>Projected Ending Balance:</b>		4,696,733	278,454	821,730	559,142	1,534,325	5,449,435	142,624	639,207		
<b>Revenues over(under) Expenses to date:</b>											(2,398,107)
^Fifth Third Bank auto deductions have been included in actual expenditure totals											

Fruitport Community Schools  
 Student Activity Summary Report  
 Month ending September 30, 2023

<b>Student Activity Sub Totals</b>	<b>BEGINNING BALANCE</b>	<b>NET CHANGE</b>	<b>ENDING BALANCE</b>
District Wide Student Activity Accounts	72,603.99	1,490.00	74,093.99
Beach Elementary Student Activity Accounts	20,913.73	(278.37)	20,635.36
Edgewood Elementary Student Activity Accounts	61,363.15	(2,519.92)	58,843.23
High School Class of Student Activity Accounts	7,254.47	-	7,254.47
High School Athletic Student Activity Accounts	81,641.80	14,061.52	95,703.32
High School Student Activity Accounts	235,366.56	3,398.78	238,765.34
Middle School Student Activity Accounts	39,961.35	(518.84)	39,442.51
Shettler Elementary Student Activity Accounts	28,704.00	(151.24)	28,552.76
Alt. High School Student Activity Accounts	600.44	-	600.44
Millionaire Party Accounts	15,990.27	(1,020.66)	14,969.61
<b>Total Student Activity Fund</b>	<b>\$ 564,399.76</b>	<b>\$ 14,461.27</b>	<b>\$ 578,861.03</b>

Credit Card and Utilities Detail  
For the month ending September 30, 2023

	July	August	September	October	November	December	January	February	March	April	May	June	Total
Utilities:													
<b>Consumers</b>	\$ 576.76	\$ 769.55	\$ 815.10										\$ 2,161.41
<b>Frontier</b>	\$ 46.82	\$ 46.89	\$ 46.94										\$ 140.65
<b>MISEC</b>	\$ 28,332.91	\$ 27,808.37	\$ 26,951.62										\$ 83,092.90
<b>Total Utilities</b>	\$ 28,956.49	\$ 28,624.81	\$ 27,813.66	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,394.96
Credit Cards:													
<b>General Fund</b>	\$ 62,280.88												\$ 62,280.88
<b>Early Childhood</b>	\$ 2,173.76												\$ 2,173.76
<b>Tech/Security Millage</b>	\$ 1,795.63												\$ 1,795.63
<b>Student Activities</b>	\$ 2,802.76												\$ 2,802.76
<b>Total Credit Card Charges</b>	\$ 69,053.03	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 69,053.03

\*\*\*Credit cards are always a month behind

Payment Date	Debit Account Desc	September 2023 Transfers Credit Account Desc	Amount
9/15/2023	Checking - General Fnd Inv - USD	Checking - Payroll - USD ***9/15/23 Payroll & ORS Transfer	\$ 895,693.72
9/27/2023	Checking - General Account - USD	Checking - Trust and Agency - USD ***Misc Items - General Fund owes Trust & Agency	\$ 317.99
9/28/2023	Checking - General Fnd Inv - USD	Checking - Payroll - USD ***9/29/23 Payroll & ORS Transfer	\$ 967,426.59
Total Transfers in September			<u>\$ 1,863,438.30</u>





## **Personnel Report – October 16, 2023**

It is recommended that the following candidates be offered contracts and/or salary increases pending final approval from the Board of Education:

Madison Sylvester – Instructional Assistant (Edgewood)  
Taylor Strand – Student Support Specialist Assistant  
Russ Swanson - Transportation

The following staff members will Resign/Retire/Reduce Hours/Transfer:

Joe Hebert – Robotics Coach  
Taylor Strand – Student Support Specialist Assistant

The following positions are currently posted:

Behavior Services Coordinator  
Bus Aide  
Bus Driver  
Central Receiving Specialist  
Instructional Assistant – Multiple Positions  
Robotics Coach  
School Psychologist  
Student Support Specialist Assistant

# Madison Sylvester

Grand Haven, MI

[madisonsylvesterj9xst\\_bki@indeedemail.com](mailto:madisonsylvesterj9xst_bki@indeedemail.com)

+1 616 834 6312

## Work Experience

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### **ABA Therapist**

The Shoreline Center - Grand Haven, MI

June 2023 to Present

### **Paraprofessional**

Ottawa Area Center

## Education

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### **High school diploma**

Grand Haven High School - Grand Haven, MI

August 2018 to May 2022

## Skills

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- Applied Behavior Analysis
- Autism Experience
- Special Education
- Behavioral Therapy
- Behavior Management
- Experience with Children

# Taylor Strand

Attentive and organized employee seeking employment as an editor, coordinator, receptionist, retail associate, and/or a position that will allow me to utilize my customer service and writing skills.

Muskegon, MI 49444  
(231) 855-6339  
taylorstrand2001@gmail.com

## EXPERIENCE

### **Torrid, Muskegon, MI — Sales Associate**

April 2022 - Present

- Greet & ring customers up at register
- Fold, hang, sensor, and put away clothes in a timely manner
- Put together online orders for pickup
- Pack ship-from-store orders
- Answer the phone

### **Hope Discovery ABA Services LLC, Zeeland, MI — Behavior Technician**

January 2023 - August 2023

- Provide one-on-one care for children on the autism spectrum
- Follow protocol for behavior reduction
- Collect client data
- Report to Board-Certified Behavior Analysts
- Maintain client dignity and confidentiality

### **Barnes & Noble, Muskegon, MI — Senior Bookseller/Barista**

May 2021 - December 2022

Note: Worked as a General Bookseller from May 2021 - December 2021, at which point I was promoted to Senior Bookseller (manager and keyholder).

As Senior Bookseller:

- Open and close store independently
- Effectively run store as manager on duty
- Keep bookfloor clean and organized
- Greet & ring customers up at register
- Use Bookmaster to direct customers to desired books
- Answer the phone

As Barista:

- Open and close café independently
- Take orders & encourage upsizing, if possible

## SKILLS

- Creative writing
- Knowledge of books
- Organization
- Attention to detail
- Problem-solving skills
- Dedication to projects
- Working in a timely manner
- Customer service experience
- Experience with kids on the autism spectrum

## AWARDS

**Featured in Fruitport High School's** creative writing magazine, *Escape Magazine*, in both the 2018 and 2019 editions.

**First place winner** in the fiction category for 5 Muskegon Community College Creative Writing Contests.

**Second place achievement** in the Liberal Arts Network for Development's 2019 Creative Writing Competition.

**Featured in Muskegon Community College's** Spring 2020, Spring 2021 and Spring 2022 editions of the creative writing magazine *River Voices*.

- Make drinks/retrieve food
- Keep workspace clean and organized
- Keep café clean and suitable for customers
- Take proper care of equipment

### **The Children's Place, Muskegon, MI — Sales Associate**

December 2018 - July 2020

- Greet & ring customers up at register
- Fold, hang, sensor, and put away clothes in a timely manner
- Create a positive and kid-friendly environment
- Put together online orders for pickup
- Answer the phone

### **EDUCATION**

### **Muskegon Community College, Muskegon, MI — Associate in Science and Arts**

August 2019 - August 2022

- GPA: 3.916
- Academic honors all 6 consecutive semesters

### **VOLUNTEER EXPERIENCE**

**Assisted nine year old brother** on the autism spectrum in home schooling programs due to the COVID-19 pandemic over the course of the 2020-2021 school year.

Virtual curriculum included English, history, math, and science lessons.

**Participated in Fruitport High School's National Honors Society** for one year, in which volunteer work was abundant and varied. Some examples include volunteering at assisted livings, working food drives, helping put together school projects, etc.



Fruitport High School  
357 N. Sixth Street  
Fruitport, Michigan 49415  
Ph•231•865•3101



September 24, 2023

Greetings,

I regret to inform you that due to unforeseen circumstances, I must resign my position as coach of the Techno Trojans HS robotics team effective immediately. This has been a painfully difficult decision that is agonizing to make without much notice to our coaching staff and team members. Our coaching staff has all the necessary knowledge and tools to continue until such time as a replacement is named. I will make every effort to assist our staff with files, account passwords, and pertinent information to the continuation of the program and start of the new season in three months. Communication email with me going forward should be through my work email (listed below) and not through the fruitportschools.net address as I will not have access to it. I had a wonderful 10 years of coaching the team with tons of great memories that I won't soon forget.

I wish everyone well and hope only the best for the Techno Trojans future.

Best regards,

Joe Hebert  
[jhebert@ottawacorc.com](mailto:jhebert@ottawacorc.com)  
616-638-0382



Fruitport Community Schools  
**REGULAR BOARD MEETING MINUTES**  
Monday, September 18, 2023 – 7:00 p.m.

**Meeting Location:**

Fruitport Community Schools Central Office  
Board of Education Meeting Room  
3255 E. Pontaluna Rd.  
Fruitport, MI 49415

- I. **CALL TO ORDER:** The Regular meeting of the Board of Education was called to order at 7:00 p.m. by Board President, Dave Hazekamp. The Pledge of Allegiance was recited.
- II. **ROLL CALL:** Present – Elroy Buckner, Tim Burgess, Kris Cole, Dave Hazekamp, Steve Kelly, and JB Meeuwenberg. Absent - Susan Franklin.

*Tim Burgess took a roll call of those in attendance for the Board of Education.*

III. **APPROVAL OF AGENDA**

Item 23-144. MOTION by Buckner, SECOND by Cole to approve the agenda, as presented

MOTION CARRIED: 6-0; 1 absent.

IV. **PRESENTATIONS:** None

V. **COMMUNICATIONS:** None

VI. **SUPERINTENDENT/ADMINISTRATIVE REPORTS:**

- **Update on Athletic Conference Discussion**

The Board discussed an email and calendar invitation received from the superintendent at Kenowa Hills Public Schools, dated September 11, 2023. The Committee discussed ongoing meetings between OK Conference schools where discussions about various conference alignments continue to take place.

- **Update on Grade 3-8 M-STEP Data and Special Education Data Portrait**

The Board discussed grade 3-8 M-STEP data from the spring 2023 assessment, and the special education data portrait provided to the District by the MAISD. The District received a 100% compliance rating and a meets requirements determination for the second year in a row on the data portrait.

- **Update on Suicide Prevention Strategies and Action Plan**

The Board was provided with a list of the suicide prevention strategies that are in place across Muskegon County and in Fruitport Community Schools. The Board discussed prevention, intervention, and postvention strategies such as QPR: Question, Persuade, Refer, Be NICE, School Blue Envelope, Critical Incident Stress Management (CISM), and Psychological First Aid. Staff were recently trained in the School Blue Envelope program, and an update on the Be NICE program will be provided at an upcoming Board meeting.

- **Update on MTSS Behavior Services and Student Support / Truancy Coordinator**

The Board was provided with an update on the hiring recommendation of a student support specialist / truancy coordinator to assist with improving chronic absenteeism rates across the District. An update was provided regarding MTSS behavior support services for each of the buildings in the District also.

- **Post-graduation Informational Packet - MCL 380.1293**

The Board was provided with an update on the requirements of MCL 380.1293. By no later than October 1 each year, the Board of Education shall ensure that the Superintendent provides, in electronic or non-electronic form, the informational packet made available to the school by the Department of Education to each pupil enrolled in grades 8 to 12. The informational packet may consist of a collection of links to web-based exploratory programs or written material shared in electronic form. This informational packet was shared with parents and was posted to the District's website prior to October 1, 2023.

**VII. REMARKS FROM THE PUBLIC:** None

**VIII. CONSENT AGENDA**

Item 23-145. MOTION by Kelly, SECOND by Meeuwenberg to approve the Consent Agenda as listed below:

1. Approval of Bill Listing in the amount of \$889,221.57
2. Acceptance of Monthly Financial, Bond, and Capital Projects Report

3. Acceptance of Student Activity Summary Report
4. Acceptance of Credit Card and Utilities Report
5. Approval of Transfers and ACH Transactions Report
6. Approval of Personnel Report (includes confirmation of new hires, resignations, retirees, and transfers)
7. Approval of Regular Meeting Minutes: August 21, 2023

MOTION CARRIED: 6-0; 1 absent.

**IX. GENERAL BOARD BUSINESS:**

**1. 2023 - 2024 Course Offerings Guide / MCVA Course Catalog**

Item 23-146. MOTION by Cole, SECOND by Meeuwenberg to approve the Course Offerings Guide and the MCVA Course Offerings for the 2023-2024 school year pursuant to requirements under Michigan's Pupil Accounting Manual, as discussed.

MOTION CARRIED: 6-0; 1 absent.

**X. BUSINESS AND FINANCE COMMITTEE REPORTS & RECOMMENDATIONS**

**1. Report of committee meeting held on September 11, 2023**

Elroy Buckner reported on a Business and Finance Committee meeting held on September 11, 2023 at 6:00 p.m. Elroy Buckner, Kris Cole, Dave Hazekamp, Mark Mesbergen, and Jason Kennedy were present. The Committee discussed a recommendation to approve a quote for the installation of fiber to the property at 259 N. 3rd Ave, Fruitport, MI 49415, as well as an update on the annual financial audit that will be presented to the Board in October. The meeting was adjourned at 6:28 p.m.

**2. Fiber Installation Recommendation - 259 N. 3rd Ave. Fruitport, MI 49415**

Item 23-147. MOTION by Buckner, SECOND by Cole to approve the quote from Western-Tel-Com, Inc., along with \$7,110 in contingency costs, to complete the fiber installation for the property located at 259 N. 3rd Ave. Fruitport, MI 49415, for a total not to exceed \$40,000, as discussed.

MOTION CARRIED: 6-0; 1 absent.

**XI. PERSONNEL COMMITTEE REPORTS & RECOMMENDATIONS:**



### **1. Report of committee meeting held on September 11, 2023**

Steve Kelly reported on a Personnel Committee meeting held on September 11, 2023 at 5:00 p.m. Dave Hazekamp, Steve Kelly, JB Meeuwneberg, Jonny Morehouse, and Jason Kennedy were present. The Committee also discussed bond and construction management stipends for Mark Mesbergen and John Winkas, as well as COVID-19 protocols for the 2023-2024 school year, which remain unchanged. The meeting was adjourned at 5:20 p.m.

### **2. Construction Project / HVAC Project / Bond Stipends**

Item 23-148. MOTION by Kelly, SECOND by Meeuwenberg to approve the bond and construction management stipends in the amount of \$2,500 for Mark Mesbergen and \$4,000 for John Winkas, as discussed. The stipend will be paid through a non-elective 403(b) plan contribution, as discussed.

MOTION CARRIED: 6-0; 1 absent.

## **XII. STUDENT AFFAIRS COMMITTEE REPORTS & RECOMMENDATIONS**

### **1. Report of committee meeting held on September 11, 2023**

Susan Franklin reported on a Student Affairs Committee meeting held on September 11, 2023 at 5:30 p.m. Tim Burgess, Dave Hazekamp, Susan Franklin, and Jason Kennedy were present. The Committee discussed the second reading of the Thrun Law Firm Annual Policy Update, an email letter received from the superintendent at Kenowa Hills Public Schools dated September 11, 2023, and reviewed a Grade 3-8 M-STEP Data and Special Education Data Portrait. The meeting was adjourned at 5:53 p.m.

### **2. Thrun Law Firm Annual Policy Update: Second Reading**

Item 23-149. MOTION by Burgess, SECOND by Buckner to approve the second reading and adoption of the 2023 Thrun Law Firm Annual Policy updates, as discussed. The list of policies updated in this annual policy update include:

- 2303 - Violation of Board Code of Ethics
- 2405 - Board Officers-SD
- 2501 - Meetings-SD
- 2501A - Electronic Board of Education Meetings
- 2506 - Organizational Meetings-SD
- 3118 - Title IX Sexual Harassment
- 3301A - Purchasing and Procurement with Federal Funds
- 3303 - Gifts and Donations

3308 - Distribution of Printed Material and Advertising in School  
3405 - Bloodborne Pathogens  
3407 - Asbestos Management  
3408 - Firearms and Weapons  
4101 - Non-Discrimination  
4102 - Anti-Harassment, Including Sexual Harassment  
4103 - Whistleblowers Protection  
4104 - Employment Complaint Procedure  
4105 - Workplace Accommodations for Employees and Applicants Under State and Federal Law  
4216 - Personal Communication Devices  
4220 - Use or Disposal of District Property  
4227 - False Medicaid Claims  
4228 - No Expectation of Privacy  
4404 - Performance Based Compensation for Teachers  
4504 - Performance Based Compensation for Administrators/Supervisors  
5202 - Unlawful Discrimination, Harassment, and Retaliation Against Students  
5206B - Student Discipline - Students with Disabilities  
5411 - Student Promotion Retention and Placement-SD  
5419 - Reading Assessments, Instruction, Intervention, and Retention  
5510 - Student-Initiated, Non-Curricular Clubs  
5707 - School Wellness Policy

MOTION CARRIED: 6-0; 1 absent.

### **XIII. BOARD MEMBER REPORTS AND DISCUSSIONS:**

Kris Cole shared that the robotics kickoff for the upcoming middle school season took place on September 9, 2023 at the Fruitport Performing Arts Center. A sample playing field was available for teams to see and begin planning around. Professional development break out sessions were provided to students and coaches from the schools in attendance, which were: Coopersville, Mona Shores, and Montague.

Dave Hazekamp shared that he would not be in attendance at the October Board meeting. He also encouraged everyone in attendance to consider attending the Fruitport Hall of Fame Induction Ceremony at the Performing Arts Center on October 21, 2023.

### **XIV. AGENDA ITEMS for FUTURE MEETINGS & SCHEDULING OF ANY SPECIAL MEETINGS**

1. The Business and Finance Committee will meet on October 9, 2023 at 6:00 p.m.
2. The Personnel Committee will meet on October 9, 2023 at 5:00 p.m.

3. The Student Affairs Committee will meet on October 9, 2023 at 5:30 p.m.
4. The Board of Education will meet on October 16, 2023 at 7:00 p.m.

**XV. REMARKS FROM THE PUBLIC:**

Pam Gustafson was in attendance and shared that the school year was off to a good start and that staff members were excited to be back to school working with students.

**XVI. ADJOURNMENT**

Item 23-150. MOTION by Buckner, SECOND by Meeuwenberg to adjourn.

MOTION CARRIED: 6-0; 1 absent.

The meeting adjourned at 7:48 p.m.

Respectfully submitted,

Kris Cole, Acting Board Secretary (Vice President)

Danielle VanderMeulen, Recording Secretary

## Fall 2023 FTE Pupil Membership Count as of 10/4/2023

Grade	Edgewood		Shettler		Beach		Elem Totals		Grand Total Elementary			
	Reg Ed	Spec Ed	Reg Ed	Spec Ed	Reg Ed	Spec Ed	Reg Ed	Spec Ed				
ECSE				19.00					19.00			
K	106.99	5.01	40.97	0.03	47.93	2.07	195.89	7.11	203.00	112.00	41.00	50.00
Gr 1	87.01	1.99	54.85	0.15	42.73	0.27	184.59	2.41	187.00	89.00	55.00	43.00
Gr 2	98.83	2.17	50.72	0.28	49.68	0.32	199.23	2.77	202.00	101.00	51.00	50.00
Gr 3	96.88	1.12	48.96	0.04	40.99	4.01	186.83	5.17	192.00	98.00	49.00	45.00
Gr 4	84.22	2.78	45.75	5.25	52.60	8.40	182.57	16.43	199.00	87.00	51.00	61.00
Gr 5	99.60	2.40	55.87	0.13	44.88	2.12	200.35	4.65	205.00	102.00	56.00	47.00
	573.53	15.47	297.12	24.88	278.81	17.19	1149.46	57.54	1207.00			
Building Total:	589.00		322.00		296.00							
Change:	9.00		-16.60		-12.00							
Grade	Middle School		High School		Alt Ed		Adult Options		Grand Total Secondary	GE Sub.		
6	195.88	8.12							195.88	204.00	204.00	
7	203.99	7.01							203.99	211.00	211.00	
8	191.46	7.54							191.46	199.00	199.00	
9			192.58	4.42					192.58	197.00		197.00
10			201.42	4.92	3.00	0.00			204.42	209.34		206.34
11			201.21	9.09	8.00	0.00			209.21	218.30		210.30
12			168.76	7.24	7.00	0.00	19.00		194.76	202.00		176.00
	591.33	22.67	763.97	25.67	18.00	0.00			1392.30	1440.64		
Building Total:	614.00		789.64		18.00		19.00					
Change	20.00		-19.19		2.00		0.00					
<b>Grand Total District K-12 Funding:</b>									<b>2,647.64</b>			
									2,664.43	Fall 2022 Count		
									<b>-16.79</b>			
									-0.63%			



Kennedy, Jason <jkennedy@fruitportschools.net>

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## Save the Date - 11/29/23 - Muskegon County Public School Boards Alliance - Fall Dinner

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**Barbara Irely** <birey@muskegonisd.org>  
To: Barbara Irely <birey@muskegonisd.org>  
Bcc: jkennedy@fruitportschools.net

Fri, Oct 6, 2023 at 10:29 AM

Good Morning,

Please save the date:

**What: Muskegon County Public School Boards Alliance - Fall Dinner**  
**When: Wednesday, November 29, 2023**  
**Time: 5:30 - 8:00 p.m.**  
**Where: Lake Bluff Grille (Muskegon Country Club)**

Invitations and further information will follow.

*Barbara A. Irely*

Senior Executive Assistant  
Muskegon Area Intermediate School District  
630 Harvey Street  
Muskegon, MI 49442

(231) 767-7201 office  
(231) 767-7299 fax  
birey@muskegonisd.org

## **Business and Finance Committee**

Monday October 09, 2023

6:00 p.m., Superintendent's Office

### **Meeting Minutes**



Attendance: Kris Cole, Dave Hazekamp, Jason Kennedy, Elroy Buckner, Jessica Wisman, Paul Matz (Rehmann), and Mark Mesbergen

#### 1. Annual Financial Audit Update

Paul Matz presented the annual audit for the 2022-2023 fiscal year. The audit has a clean opinion. The auditors tested the Federal Covid grants and the program received no findings or material weaknesses. Paul will be presenting the audit results to the full board at the upcoming board meeting.

#### 2. Bus Recommendation

Mark shared our current bus fleet. The district will be receiving the two special education buses that the board approved back in the spring around December. With the long lead time, and the increase in riders that the transportation department is seeing, the recommendation is to purchase one or two new regular education buses through the MSBO bid consortium. The money will be coming from the 2021 Capital Projects Fund.

#### 3. Preliminary Pupil Membership Count

Jason and Jessica provided an update on the prelim Fall count for the district. There is still around three weeks until the district certifies the count so the prelim count will change when the district submits count.

Meeting adjourned at 6:45 p.m.

Respectfully submitted by Mark Mesbergen

**BOARD ACTION REQUEST FORM**

**Meeting Date:** October 16, 2023

To: Board of Education

Attachment #XI-2

From: Mark Mesbergen

**Subject to be Discussed and Policy Reference:**  
2022-2023 Annual Financial Audit Report

**Background Information:**

Representatives from Rehmann audited the 2022-2023 financial records for the District and have presented the audit at the Business and Finance committee meeting held October 9, 2023. The financial audit is a clean, unmodified opinion, and in accordance with the generally accepted government auditing standards.

**Financial Impact:**

Audit fees were according to the Board approved audit agreement, and were paid out of the general fund.

**Recommended Action:**

To approve the acceptance of the 2022-2023 annual financial audit report, as presented by Rehmann.

**Action Taken:**

**Vote:** \_\_\_ Buckner      \_\_\_ Burgess      \_\_\_ Cole      \_\_\_ Franklin  
         \_\_\_ Hazekamp      \_\_\_ Kelly      \_\_\_ Meeuwenberg

## INDEPENDENT AUDITORS' COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

Month //, 2023

Board of Education  
Fruitport Community Schools  
Fruitport, Michigan

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of **Fruitport Community Schools** (the "District") as of and for the year ended June 30, 2023, and have issued our report thereon dated **Month //, 2023**. Professional standards require that we advise you of the following matters relating to our audit.

### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated June 14, 2023, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements that have been prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding internal control over financial reporting and compliance noted during our audit in a separate letter to you dated **Month //, 2023**.



## **Planned Scope and Timing of the Audit**

We performed the audit according to the planned scope and timing previously communicated to you in our engagement letter and in our meeting about planning matters on September 6, 2023.

## **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, and our firm has complied with all relevant ethical requirements regarding independence.

## **Significant Risks Identified**

We have identified the risks of management override of internal control, improper revenue recognition, and the completeness of subscription-based information technology arrangements (SBITAs) as significant risks, and have obtained an understanding of the District's related controls, including control activities, relevant to such risks.

## **Qualitative Aspects of the District's Significant Accounting Practices**

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements.

The District changed accounting policies related to subscription assets and liabilities by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 96, *Subscription-Based Information Technology Arrangements*.

No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on 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 markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements were:

- Management's estimate of the useful lives of depreciable capital assets is based on the length of time it is believed that those assets will provide some economic benefit in the future.

- Management's estimate of the accrued compensated absences is based on current hourly rates and policies regarding payment of sick and vacation banks.

We evaluated the key factors and assumptions used to develop these estimates and determined that they are reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

In addition, the financial statements include net pension and other postemployment benefit liabilities and other related amounts, which are dependent on estimates made by the plan. These estimates are based on historical trends and industry standards but are not within the control of management.

### **Significant Difficulties Encountered During the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

### **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. We did not identify any misstatements during our audit.

The schedule of adjustments passed is included with management's written representations in Attachment B to this letter, and summarizes uncorrected financial statement misstatements whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole and each applicable opinion unit.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditors' report. No such disagreements arose during the course of the audit.

### **Representations Requested from Management**

We have requested certain written representations from management, which are included in Attachment B to this letter.

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

### **Other Information in Documents Containing Audited Financial Statements**

Our responsibility for the supplementary information accompanying the financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole. 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.

### **Upcoming Changes in Accounting Standards**

Generally accepted accounting principles (GAAP) are continually changing in order to promote the usability and enhance the applicability of information included in external financial reporting. While it would not be practical to include an in-depth discussion of every upcoming change in professional standards, Attachment A to this letter contains a brief overview of recent pronouncements of the Governmental Accounting Standards Board (GASB) and their related effective dates. Management is responsible for reviewing these standards, determining their applicability, and implementing them in future accounting periods.

This information is intended solely for the use of the governing body and management of Fruitport Community Schools and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

## FRUITPORT COMMUNITY SCHOOLS

### Attachment A – Upcoming Changes in Accounting Standards / Regulations

For the June 30, 2023 Audit

The following pronouncements of the Governmental Accounting Standards Board (GASB) have been released recently and may be applicable to the District in the near future. We encourage management to review the following information and determine which standard(s) may be applicable to the District. For the complete text of these and other GASB standards, visit [www.gasb.org](http://www.gasb.org) and click on the “Standards & Guidance” tab. If you have questions regarding the applicability, timing, or implementation approach for any of these standards, please contact your audit team.

#### **GASB 100 ■ Accounting Changes and Error Corrections**

*Effective 06/15/2024 (your FY 2024)*

This standard clarifies the presentation and disclosure requirements for prior period adjustments to beginning net position. We do not expect this standard to have any significant effect on the District.

#### **GASB 101 ■ Compensated Absences**

*Effective 12/15/2024 (your FY 2025)*

This standard revises the liability governments record for compensated absences payable to include any sick, vacation, personal time, or other PTO reasonably expected to be used by employees or paid out to them at termination.



## FRUITPORT COMMUNITY SCHOOLS

### Attachment B – Management Representations

For the June 30, 2023 Audit

The following pages contain the written representations that we requested from management.

Month //, 2023

Rehmann Robson LLC  
2330 East Paris Ave. SE  
Grand Rapids, MI 49546

This representation letter is provided in connection with your audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of **Fruitport Community Schools** (the "District"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position, results of operations, and the budgetary comparison for the general fund of the District in conformity with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

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

We confirm that, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of **Month //, 2023**:

#### **Financial Statements**

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 14, 2023, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
2. The financial statements referred to above have been fairly presented in accordance with U.S. GAAP, and include all properly classified funds, required supplementary information, and notes to the basic financial statements.
3. With respect to any assistance you provided in drafting the financial statements and related notes, we have performed the following:
  - a. Made all management decisions and performed all management functions;
  - b. Assigned a competent individual to oversee the services;
  - c. Evaluated the adequacy of the services performed;
  - d. Evaluated and accepted responsibility for the result of the service performed; and
  - e. Established and maintained internal controls, including monitoring ongoing activities.

4. We acknowledge our responsibility 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.
5. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
6. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
7. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP. For the purposes of this letter, related parties mean members of the governing body; board members; administrative officials; immediate families of administrative officials, board members, and members of the governing body; and any companies affiliated with or owned by such individuals.
8. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
9. The effects of uncorrected misstatements summarized in the attached schedule and aggregated by you during the current engagement are immaterial, both individually and in the aggregate, to the applicable opinion units and to the financial statements as a whole.
10. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
11. With regard to items reported at fair value:
  - a. The underlying assumptions are reasonable, and they appropriately reflect management's intent and ability to carry out its stated courses of action.
  - b. The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
  - c. The disclosures related to fair values are complete, adequate, and in conformity with U.S. GAAP.
  - d. There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
12. All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
13. All funds and activities are properly classified.
14. All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements— and Management's Discussion and Analysis—for State and Local Governments*, and GASB Statement No. 37, *Basic Financial Statements— and Management's Discussion and Analysis—for State and Local Governments: Omnibus*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
15. All components of net position and fund balance classifications have been properly reported.
16. All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
17. All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
18. All interfund and intra-entity transactions and balances have been properly classified and reported.
19. Special items and extraordinary items have been properly classified and reported.

20. Deposit and investment risks have been properly and fully disclosed.
21. Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
22. All required supplementary information is measured and presented within the prescribed guidelines.
23. We believe that the actuarial assumptions and methods used to measure pension and other postemployment benefit liabilities and costs for financial accounting purposes are appropriate in the circumstances.
24. We are responsible for the fair presentation of the District's proportionate share of the net pension and other postemployment benefit liabilities of the Michigan Public School Employees Retirement System (MPSERS) and related amounts. We provided MPSERS with complete and accurate information regarding the District's participation in the plan, and have reviewed the information provided by MPSERS for inclusion in the District's financial statements.
25. In March 2020, the World Health Organization declared the novel coronavirus outbreak (COVID-19) to be a global pandemic. While the pandemic has resulted in an increase in the demands on the District to deliver education to students in a safe environment, the Federal Government has also provided significant resources to help mitigate the impacts of COVID-19. Over the past several years, the District has been awarded funds from various sources to be used to respond to the impacts of the COVID-19 pandemic. Of the amount awarded, approximately \$1.3 million was expended and recognized as revenue during the current fiscal year. With these additional Federal resources, at this time management does not believe that the negative financial impact of the pandemic, if any, would be material to the District.

#### **Information Provided**

26. We have provided you with:
  - a. Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
  - b. Additional information that you have requested from us for the purpose of the audit; and
  - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
27. All transactions have been recorded in the accounting records and are reflected in the financial statements.
28. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
29. We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
  - a. Management;
  - b. Employees who have significant roles in internal control; or
  - c. Others where the fraud could have a material effect on the financial statements.



30. We have no knowledge of any instances, that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance, whether communicated by employees, former employees, vendors (contractors), regulators, or others.
31. We have no knowledge of any instances that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that has a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
32. We have no knowledge of any instances that have occurred or are likely to have occurred of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
33. We have a process to track the status of audit findings and recommendations.
34. We have identified for you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
35. We have provided views on your reported audit findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
36. We are not aware of any pending or threatened litigation and claims whose effects should be considered when preparing the financial statements and we have not consulted legal counsel concerning litigation or claims.
37. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
38. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
39. The District has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
40. We have disclosed to you all guarantees, whether written or oral, under which the District is contingently liable.
41. We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
42. There are no:
  - a. Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
  - b. Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*.
  - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB Statement No. 62.
43. The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.

44. We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
45. We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.

#### **Supplementary Information in Relation to the Financial Statements as a Whole**

46. With respect to the supplementary information accompanying the financial statements:
  - a. We acknowledge our responsibility for the presentation of the supplementary information in accordance with accounting principles generally accepted in the United States of America.
  - b. We believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America.
  - c. The methods of measurement or presentation have not changed from those used in the prior period.
  - d. We believe the significant assumptions or interpretations underlying the measurement or presentation of the supplementary information, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.

#### **Required Supplementary Information**

47. With respect to the required supplementary information accompanying the financial statements:
  - a. We acknowledge our responsibility for the presentation of the required supplementary information in accordance with accounting principles generally accepted in the United States of America.
  - b. We believe the required supplementary information, including its form and content, is measured and fairly presented in accordance with accounting principles generally accepted in the United States of America.
  - c. The methods of measurement or presentation have not changed from those used in the prior period.
  - d. We believe the significant assumptions or interpretations underlying the measurement or presentation of the required supplementary information, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.

#### **Uniform Guidance (2 CFR 200)**

48. With respect to federal awards, we represent the following to you:
  - a. We are responsible for understanding and complying with and have complied with the requirements of the Uniform Guidance.
  - b. We are responsible for the preparation and presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance.

- c. We believe the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with the Uniform Guidance.
- d. The methods of measurement or presentation have not changed from those used in the prior period.
- e. We believe the significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.
- f. We are responsible for including the auditor's report on the schedule of expenditures of federal awards in any document that contains the schedule and that indicates that the auditor has reported on such information.
- g. We have identified and disclosed all of our government programs and related activities subject to the Uniform Guidance compliance audit.
- h. When the schedule of expenditures of federal awards is not presented with the audited financial statements, management will make the audited financial statements readily available to the intended users of the schedule of expenditures of federal awards no later than the date of issuance by the entity of the schedule of expenditures of federal awards and the auditor's report thereon.
- i. We have, in accordance with the Uniform Guidance, identified in the schedule of expenditures of federal awards, expenditures made during the audit period for all awards provided by federal agencies in the form of grants, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, food commodities, direct appropriations, and other assistance.
- j. We are responsible for complying with the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of our federal programs and have identified and disclosed to you the requirements of laws, regulations, and the provisions of contracts and grant agreements that are considered to have a direct and material effect on each major federal program; and we have complied, in all material respects, with these requirements.
- k. We have provided to you our interpretations of any compliance requirements that have varying interpretations.
- l. We are responsible for establishing and maintaining effective internal control over compliance requirements applicable to federal programs that provide reasonable assurance that we are managing our federal awards in compliance with laws, regulations, and the provisions of contracts and grant agreements that could have a material effect on our federal programs. Also, no changes have been made in the internal control system to the date of this letter that might significantly affect internal control, including any corrective action taken with regard to significant deficiencies, including material weaknesses, reported in the schedule of findings and questioned costs.
- m. We have made available to you all contracts and grant agreements (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relating to federal programs.
- n. We have received no requests from a federal agency to audit one or more specific programs as a major program.
- o. We have identified and disclosed to you all amounts questioned and any known noncompliance with the requirements of federal awards, including the results of other audits or program reviews. We also know of no instances of noncompliance occurring subsequent to the end of the period audited.

- p. We have charged costs to federal awards in accordance with applicable cost principles, including amounts claimed or used for matching determined in accordance with relevant guidelines in the Uniform Guidance.
- q. We have made available to you all documentation related to the compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- r. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the basic financial statements have been prepared (and are prepared on a basis consistent with the schedule of expenditures of federal awards).
- s. The copies of federal program financial reports provided to you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- t. We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance, and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
- u. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
- v. We are responsible for and have accurately completed the appropriate sections of the Data Collection Form as required by the Uniform Guidance, and we are responsible for preparing and implementing a correction action plan for each audit finding.
- w. The reporting package does not contain protected personally identifiable information.
- x. We have disclosed all contracts or other agreements with service organizations and disclosed to you all communications from these service organizations relating to noncompliance at the organizations.
- y. We have reviewed, approved, and taken responsibility for the financial statements and related notes.
- z. We have disclosed to you the nature of any subsequent events that provide additional evidence with respect to conditions that existed at the end of the reporting period that affect noncompliance during the reporting period.

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Jason Kennedy, Superintendent

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Mark Mesbergen, Director of Business Services

**FRUITPORT COMMUNITY SCHOOLS**

**Schedule of Adjustments Passed (SOAP)**

For the June 30, 2023 Audit

In accordance with generally accepted auditing standards, we have prepared the following schedule of proposed audit adjustments, which we believe are immaterial both individually and in the aggregate. We are providing this schedule to both management and those charged with governance to receive their assurance that they agree that the amounts listed below are not material to the financial statements, either individually or in the aggregate, and do not need to be recorded.

	Effect of Passed Adjustment - Over(Under)Statement				
	Assets	Liabilities	Beginning Equity	Revenues	Expenses/ Expenditures
<b>Governmental activities</b>					
Unrecorded SBITA asset/liability	\$ (145,655)	\$ (146,759)	\$ -	\$ -	\$ (1,104)
<b>Misstatement as a percentage of total assets and deferred outflows of resources - governmental activities</b>	-0.13%	-0.13%	0.00%	0.00%	0.00%

Fruitport  
Community Schools



Year Ended  
June 30, 2023

Financial  
Statements and  
Supplementary  
Information

**Rehmann**

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# FRUITPORT COMMUNITY SCHOOLS

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# FRUITPORT COMMUNITY SCHOOLS

## ADMINISTRATIVE PERSONNEL

For the Year Ended June 30, 2023

### BOARD OF EDUCATION

Dave Hazekamp  
***President***

Kris Cole  
***Vice-President***

Elroy Buckner	Treasurer
Susan Franklin	Secretary
JB Meeuwenberg	Trustee
Steve Kelly	Trustee
Tim Burgess	Trustee

### ADMINISTRATIVE STAFF

Jason Kennedy	Superintendent
Mark Mesbergen	Director of Business Services

### PRINCIPALS

Lauren Chesney	High School
Monte Kelly	Middle School
Jason Bogue	Beach Elementary
Christian Doctor	Edgewood Elementary
Janelle Duffey	Shettler Elementary

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## INDEPENDENT AUDITORS' REPORT

Month //, 2023

Board of Education  
Fruitport Community Schools  
Fruitport, Michigan

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of **Fruitport Community Schools** (the "District"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2023, and the respective changes in financial position thereof, and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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

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

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

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

### ***Independent Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the schedules for the pension and other postemployment benefit plans, as listed 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 the District's basic financial statements. The combining fund financial statements 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 were derived from and relate 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 combining fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

Management is responsible for the other information included in the financial statements. The other information comprises the schedule of bonds issued and outstanding but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

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

In accordance with *Government Auditing Standards*, we have also issued, under separate cover, our report dated **Month //, 2023**, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**



## FRUITPORT COMMUNITY SCHOOLS

### Management's Discussion and Analysis

The discussion and analysis of Fruitport Community Schools' (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2023. The intent of this discussion and analysis is to provide, in layman's terms, a look at the District's performance, including past and current position. Readers are encouraged to consider all the information that is presented.

#### Financial Highlights

· Total net position	\$ (28,922,104)
· Change in total net position	4,186,710
· Fund balances, governmental funds	14,379,072
· Change in fund balances, governmental funds	(2,626,687)
· Unassigned fund balance, general fund	4,915,527
· Change in fund balance, general fund	410,787
· Installment debt outstanding	54,862,016
· Change in installment debt	(2,711,637)

#### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements, including management's discussion and analysis, required schedules for the pension and other postemployment benefits plan, and combining statements for nonmajor funds.

**Government-wide financial statements.** These statements are full accrual basis statements and provide information about the District's overall financial status. The full accrual basis means that all assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the District are recorded, regardless of when related cash is received or paid. This is the basis of accounting utilized by most private sector companies. These financial statements are used to help determine whether or not the District is better off or worse off as the result of the year's activities. It is important to keep in mind that while we are required to report financial information in this manner, it is not the goal of the District to generate a profit. Financial reports are just one indicator of the overall health of the District.

The *statement of net position* reports all of the District's assets, deferred outflows of resources, liabilities (both short-term and long-term, regardless if they are "currently available" or not), and deferred inflows of resources. The residual balance is net position, an indicator of a District's financial health. Capital assets and long-term obligations of the District are reported in this statement.

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 total revenue less the total expense is referred to as the change in net position for the current year. Sustained, positive change in net position may indicate improving financial health, while decreasing change in net position may indicate deteriorating financial condition.

The two government-wide statements report the District's net position and how it has changed. Net position – the difference between the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources – is one way to measure the District's financial health or position. However, to assess the District's overall health, one needs to consider additional non-financial factors such as changes in the District's property tax base, the quality of the education provided, and the condition of the District's buildings.

## FRUITPORT COMMUNITY SCHOOLS

### Management's Discussion and Analysis

In the government-wide statements, the District's activities are classified as *governmental activities*. This includes the District's basic services, such as regular and special education, food service, athletics, transportation, and administration. Property taxes and state aid finance most of these services.

**Fund financial statements.** The fund financial statements focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements. The fund level statements are reported on a modified accrual basis and include only current assets and current liabilities of the District. Only those assets that are "measurable" and "currently available" are reported. Liabilities are recognized to the extent they are normally expected to be paid with current financial resources.

The fund statements are formatted to comply with the legal requirements of the Michigan Department of Education's "Accounting Manual." In the State of Michigan, the District's major instructional and instructional support activities are reported in the General Fund. Additional activities are reported in their relevant funds including: Special Revenue Funds for Food Service, Child Care, Tech Millage, and the Student/School Activity, Debt Service Funds, and Capital Project Funds.

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

**Notes to financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. This is limited to this management's discussion and analysis and the schedules for the Michigan Public School Employee's Retirement System (MPERS) pension and other postemployment benefits plan immediately following the notes to the financial statements. The combining statements in connection with nonmajor governmental funds are presented immediately following the required supplementary information.

### Government-wide Financial Analysis

The District's net position as of June 30, 2023 was a deficit of approximately \$28.9 million. This represents the accumulation of all past years' operations of the District. Included in this amount is a deficit of approximately \$42.8 million of unrestricted net position, primarily the result of the net pension liability of \$62.5 million and the net OPEB liability of \$3.6 million. The table on the following page shows a condensed breakdown of the statement of net position.

A portion of the District's net position reflects its net investment in capital assets (e.g., land, construction in progress, buildings and improvements, furniture and equipment, and vehicles, less any related debt used to acquire those assets that is still outstanding). The District uses these capital assets to provide services to the students it serves; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The remaining portion of the District's net position of \$1.7 million represents resources that are subject to other external restrictions on how they may be used.

## FRUITPORT COMMUNITY SCHOOLS

### Management's Discussion and Analysis

	Net Position	
	Governmental Activities	
	2023	2022
Current and other assets	\$ 22,573,757	\$ 24,686,893
Capital assets, net	69,006,095	68,425,004
<b>Total assets</b>	<u>91,579,852</u>	<u>93,111,897</u>
<b>Deferred outflows of resources</b>	<u>24,446,984</u>	<u>11,570,828</u>
Long-term liabilities	127,147,881	105,441,341
Other liabilities	8,647,481	8,155,601
<b>Total liabilities</b>	<u>135,795,362</u>	<u>113,596,942</u>
<b>Deferred inflows of resources</b>	<u>9,153,578</u>	<u>24,194,597</u>
Net position:		
Net investment in capital assets	12,245,926	12,037,154
Restricted	1,654,230	1,652,407
Unrestricted (deficit)	<u>(42,822,260)</u>	<u>(46,798,375)</u>
<b>Total net position</b>	<u>\$ (28,922,104)</u>	<u>\$ (33,108,814)</u>

The net position of the District increased by approximately \$4.2 million during the 2022-23 year. The table on the following page shows the breakdown of this change. The statement of activities, presented later in the government-wide financial statements, provides greater detail on the District's annual activity. The cost of the District's governmental activities for the year was \$44.8 million. Certain activities were partially funded from those who benefited from the programs (charges for services) in the amount of \$2.2 million, or by other governments and organizations that subsidized certain programs with grants and contributions in the amount of \$17.0 million. The remaining "public benefit" portion of governmental activities was primarily funded with \$8.3 million, \$20.9 million, \$0.2 million, and \$0.4 million in taxes, State foundation allowance, unrestricted grants, and investment earnings, respectively.

Current year revenues increased as compared to the prior year by approximately \$5.5 million, or 12.6%, primarily due to additional operating grants received related to the COVID-19 pandemic.

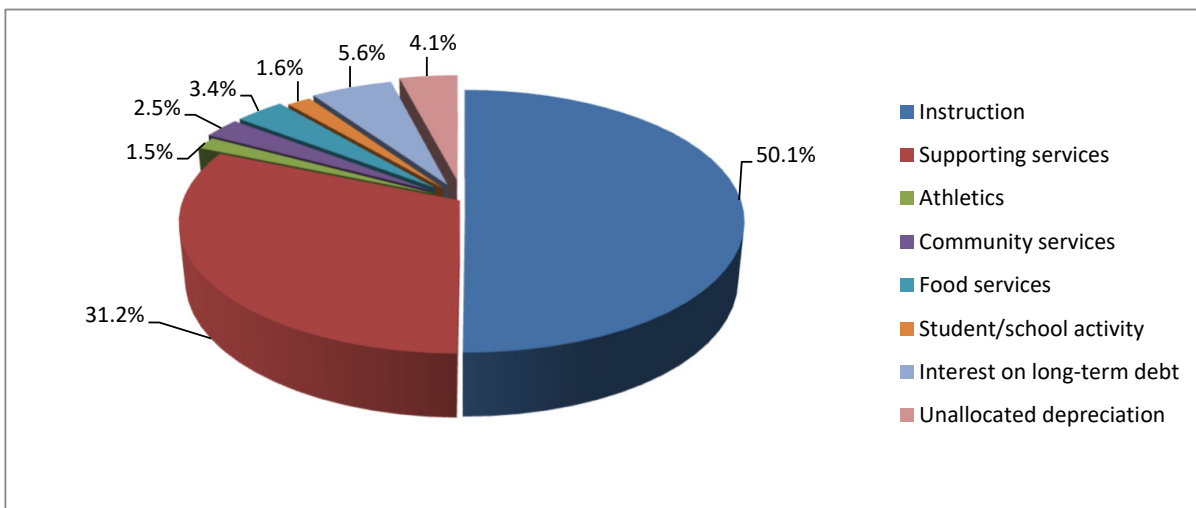
Current year expenses increased as compared to the prior year by approximately \$8.5 million, or 23.5%, primarily due to changes in the net pension and OPEB liabilities and related deferred amounts, increased payroll costs, section 147c(2) expenditures which were reimbursed by the State, and due to a loss on the disposal of capital assets at the high school as it has undergone significant improvements in the past couple of years.

## FRUITPORT COMMUNITY SCHOOLS

### Management's Discussion and Analysis

	Change in Net Position	
	Governmental Activities	
	2023	2022
Program revenues:		
Charges for services	\$ 2,214,815	\$ 1,611,085
Operating grants and contributions	17,005,959	14,667,896
General revenues:		
Property taxes	8,317,298	7,836,184
State of Michigan aid - unrestricted	20,943,443	18,908,922
Unrestricted grants	152,185	465,778
Investment earnings	352,443	20,403
<b>Total revenues</b>	<b>48,986,143</b>	<b>43,510,268</b>
Expenses:		
Instruction	22,461,047	16,573,532
Supporting services	13,985,063	12,402,197
Athletics	676,859	560,616
Community services	1,128,998	982,971
Food services	1,516,336	1,376,089
Student/school activity	733,159	518,533
Interest on long-term debt	2,502,445	2,613,150
Unallocated depreciation	1,795,526	1,262,353
<b>Total expenses</b>	<b>44,799,433</b>	<b>36,289,441</b>
<b>Change in net position</b>	<b>4,186,710</b>	<b>7,220,827</b>
Net position, beginning of year	(33,108,814)	(40,329,641)
<b>Net position, end of year</b>	<b>\$ (28,922,104)</b>	<b>\$ (33,108,814)</b>

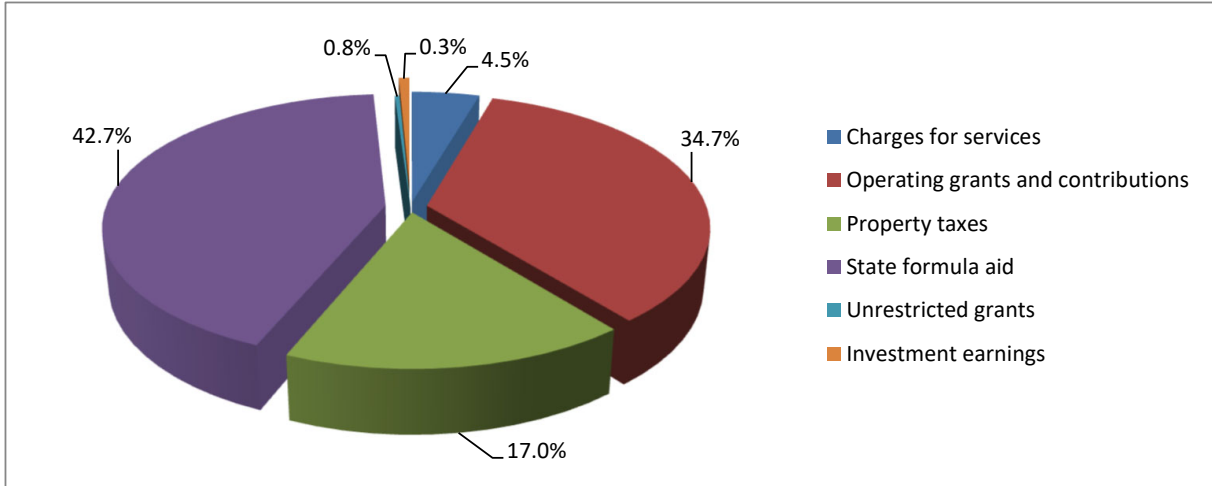
Expenses by Program - Governmental Activities



## FRUITPORT COMMUNITY SCHOOLS

### Management's Discussion and Analysis

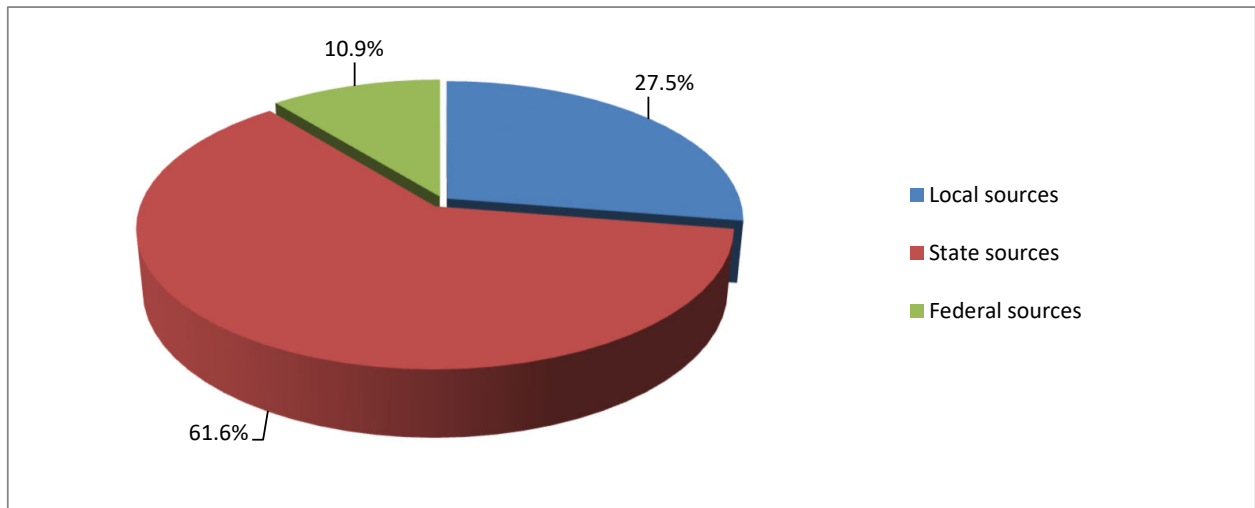
Revenues by Source - Governmental Activities



#### Financial Analysis of the District's Funds

A substantial portion (approximately \$30.2 million) of the District's governmental fund revenues are received from state sources. This means that the financial stability of the District rests primarily with the economic health of the State of Michigan. Overall revenues increased as compared to the previous year, primarily due to federal grants received related to the COVID-19 pandemic.

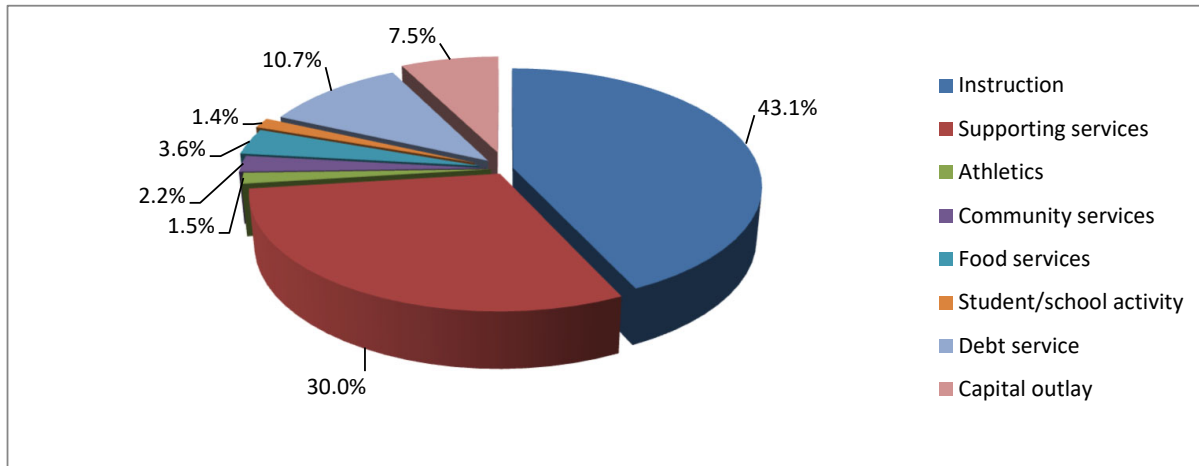
The table below depicts the breakdown of the source of revenues for the District's governmental funds which totaled \$49.0 million.



## FRUITPORT COMMUNITY SCHOOLS

### Management's Discussion and Analysis

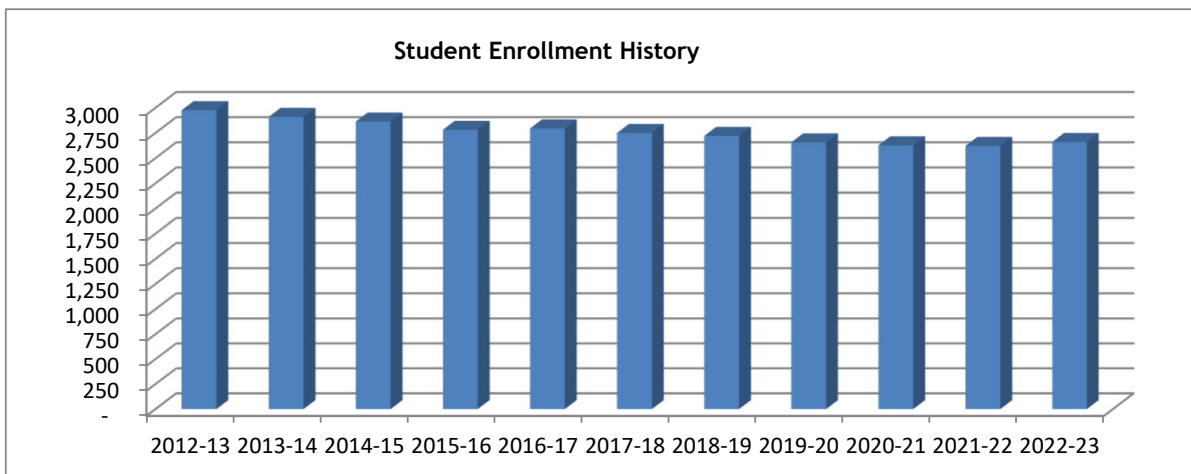
The table below reflects the breakdown by functional category of approximately \$51.6 million in expenditures for the District's governmental funds for 2022-23. Direct classroom instruction totaling approximately \$22.2 million is the largest category. Support services includes library services, counselors, special education services, administration, clerical staff, maintenance/custodial staff, utilities, insurance, and transportation services, which totaled approximately \$15.5 million. Athletic expenditures totaled approximately \$0.8 million. Community services, which includes all early childhood tuition and day care program expenses, totaled approximately \$1.2 million, food service costs approximated \$1.9 million, while student/school activity costs approximated \$0.7 million. Debt service costs related to the District's outstanding debt issuances totaled approximately \$5.5 million. The District also reported \$3.9 million in capital outlay related to building and site bond proceeds expended during the year.



### Factors Impacting/Changes in Fund Equity

*Property Taxes* – Property values increased slightly from the prior year, resulting in property tax revenues for operations and debt service increasing from approximately \$7.8 to \$8.3 million for 2021-22 and 2022-23, respectively.

*Enrollment* – The actual blended student count for which the District receives state aid was 2,661.10 in 2022-23 as compared to the previous year of 2,622.03 (see below), an increase of 1.5%. Internal estimates show the District enrollment starting to stabilize.



## FRUITPORT COMMUNITY SCHOOLS

### Management's Discussion and Analysis

*State Revenues* – The State of Michigan's per student membership base foundation allowance increased to \$9,150 from \$8,700 in the previous year. In addition, the District received approximately \$336,000, \$2.9 million, and \$1.7 million, respectively, for MPSERS cost offset, MPSERS rate stabilization, and MPSERS 147c(2) one time deposit.

*Retirement rate change* – The mandatory retirement rate was unchanged from prior year at 28.23%.

*Employee contracts* – The District has agreements with all unions and associations. The district has agreed on three year contracts (expiring in the summer of 2024) with increases with all groups.

*Health insurance* – With all staff subject to medical plan annual cost limitations, the cost of health insurance benefits decreased even with the CAP's increasing from the previous year. The premiums increased a small amount so the employees that elect health insurance saw a less than normal employee contribution increase compared to other years. Staff that retired or left the district combined with newly hired staff electing to not take the insurance was the cause of the small decrease in health insurance costs.

**General Fund.** The General Fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$4,915,927, while the total fund balance was \$5,368,274. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance and total fund balance represent 12.9% and 14.1%, respectively, of total general fund expenditures.

The fund balance of the District's General Fund increased by \$410,787, or 8.3% from the prior year, primarily as a result of grant funds received to help with costs during the COVID-19 pandemic.

**2021 Capital Projects Fund.** The fund incurred expenditures in the current year of \$1,862,172 for various bond issuance costs and capital improvements related to the 2021 building and site bonds issued in the prior year. Restricted fund balance at year-end totaled \$3,752,347.

### General Fund Budgetary Highlights

The Uniform Budget Act of the State of Michigan requires that the local Board of Education approve the original budget for the upcoming fiscal year prior to July 1, the start of the fiscal year. As a matter of practice, the District amends its budget periodically during the year. These revisions are made in order to deal with unexpected changes in revenues and expenditures which could not have been anticipated when the original budget was adopted. The final amendment to the operating budget was adopted by the Board in June 2023. A statement showing the District's original and final adopted budgets, as well as final actual revenues and expenditures, is provided in the annual report. The following analysis describes the major reasons for changes in the budget during the year.

**Revenues.** The final budget was amended with a 10.7% increase from the original budget. The adjustments to the general operating budget which more accurately reflect current revenues can be summarized as follows:

- The budget for State revenues increased \$3,922,462. This increase was mainly caused by a new state grant for ORS (Section 147c2) as a one time payment to offset some retirement liability. The District received roughly \$1.7 million in funds. Another cause was the actual enrollment came in better than the projected enrollment, which increase the District's state revenue. Lastly, another cause was a prior year adjustment in the district's special education allocation as the total allowable expenses were higher than projected.

## FRUITPORT COMMUNITY SCHOOLS

### Management's Discussion and Analysis

- The budget for federal revenues decreased \$374,348. This decrease was due in part to the decrease in our consortium wide special education grant. This pushed more revenue in the local line item as the District had to bill the consortium for unfunded expenses. The other cause was federal COVID funds not spent.

**Expenditures.** The amended final budget for General Fund expenditures increased by 9.1% from the beginning to the end of the year. The adjustments to the general operating budget to more accurately reflect current expenditures are summarized as follows:

- Basic programs instruction budget increased from the original by \$1,240,510 or 8.5%. The additional ORS section within State Aid needed to be allocated per function so around \$1.1 million of the section was allocated within the basic program section.
- Operations and maintenance budget increased from the original by \$325,740, or 10.6%. The changes included an increase to the cost of cleaning services and expenditures that from state grants such as the safety and security grants. During the past year, the District has also seen an increase of services and materials which caused the budget to increase.

#### Final Budget to Actual Variance

**Revenues.** There was a \$213,938 variance between the final budget and the actual amounts. The analysis below describes the major components of the variance.

- Operating grants had a variance of 148.0% (\$147,956) as there was a Medicaid prior year adjustment from 2016 paid back to the district from the MAISD. The MAISD holds an audit fund for the county and when the fiscal year for Medicaid is closed, the MAISD pays out what remains in the audit fund.

**Expenditures.** There was a -1.1% (\$441,440) variance between the final budget and the actual amounts. This variance appears to be the result of actual costs coming in under budget for most all general fund departments. The reasons for this is detailed below:

- With federal grants not being completely spent, the expenditure line items were not spent as well, causing some of the variance. Also, At-Risk was not fully spent; therefore, expenditure line items were not spent.
- Expenditure and other financing use line items that overspent the line budget included the general fund transfer to the building and site fund, county wide special education cost, and operations costs that came in higher than expected at the end of June (post budget amendment).
- Expenditure line items that underspent the line budget included department supply budget, the transportation department, and some retirement lines items (due to the end of year ORS adjustment to balance the 147c section).



## FRUITPORT COMMUNITY SCHOOLS

### Management's Discussion and Analysis

#### Capital Asset and Debt Administration

**Capital Assets.** A summary of the District's capital assets, net of depreciation, at year end is outlined below. Additional information on the District's capital assets can be found in Note 7 of the notes to the financial statements. Primary activity for capital assets during the current year included capitalization of the new high school as the building is fully completed. The turf field, track, and tennis courts also moved from construction in progress to Buildings and Improvements. The District also purchased additional assets such as scoreboards, lawn mowers, copiers, and vehicles.

	<b>Capital Assets (Net of Depreciation)</b>	
	<b>2023</b>	<b>2022</b>
Land	\$ 225,303	\$ 225,303
Construction in progress	1,751,869	49,527,434
Buildings and improvements	64,833,335	16,488,454
Furniture and equipment	992,041	823,874
Vehicles	1,203,547	1,359,939
<b>Total capital assets, net</b>	<b>\$ 69,006,095</b>	<b>\$ 68,425,004</b>

**Long-term Debt.** A comparative summary of the District's indebtedness at year end is outlined below.

	<b>Long-term Debt</b>	
	<b>2023</b>	<b>2022</b>
General obligation bonds	\$ 54,435,000	\$ 57,130,000
Township sewer project debt	427,016	443,653
Deferred issuance premiums	5,717,992	6,021,972
Compensated absences	432,020	470,465
<b>Total long-term debt</b>	<b>\$ 61,012,028</b>	<b>\$ 64,066,090</b>

The District's total debt decreased by \$3,054,062 during the current fiscal year due to the District making it's scheduled principal payments. Additional information on the District's long term debt can be found in Note 9.

Under Michigan statute, the District is legally restricted from incurring long-term bonded debt in excess of 15% of the assessed value of taxable property within the District. At June 30, 2023, the District's net bonded debt of \$54.4 million was well below the legal limit of \$111.4 million.

## FRUITPORT COMMUNITY SCHOOLS

### Management's Discussion and Analysis

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

The District's enrollment seems to have stabilized which improves the bottom line and projections moving forward. Student needs have increased since the 2021 school year (hybrid due to COVID) which is pushing the district to meet the students where they are at. This has increased the number of special education staff, behavior staff or other support staff throughout the district. Some of these staffs can be funded by grants but that is a short-term solution. Legislative efforts in the area of benefits (2011 PA 152 health insurance caps) and retirement reform (greatly reducing the impact of unfunded pension costs) have helped to stabilize our expenditures. The District does have some COVID grants that must be used within the next year so it is important to make sure the District allocated those funds to ensure there is not an expense cliff after those grants are gone. The District continues to look to find ways to save money without hurting instruction while promoting Fruitport throughout the County.

All employment group contracts are currently settled. All contracts were board approved. Each contract has different details but every contract is for three years with a salary increase that is higher than the previous years. The District is expecting more than the normal number of teachers/staff to retire during the duration of the contracts, however, that was not factored in during the bargaining process.

The District has started to see an increase in housing development around the District. This is a positive sign as enrollment is one of the largest impacts to the budget. The net loss of school of choice has stabilized which is another positive trend for Fruitport. Fruitport's educational staff is at a perfect stop so an increase in students would most likely require the district to increase the number of educational staff employed, thus decreasing the positive impact to the fund balance.

All of these factors place a burden on the District's general fund equity. Projections for the 2022-23 fiscal year show an expected \$395,771 unassigned deficit, reducing fund balance to \$4,683,248. At the passing of the original budget, the State's budget was passed with an increase to the foundation around what was projected. The passed State's budget also includes more one time grants to help with mental health and special education services.

#### Requests for Information

This financial report is designed to provide the District's citizens, taxpayers, parents, students, investors and creditors with a general overview of the District's finances, and to show how the District is accountable for the money it receives. Questions concerning any of the information provided in this report, or requests for additional financial information should be addressed to Mark Mesbergen, Director of Business Services, Fruitport Community Schools, 3255 East Pontaluna Rd., Fruitport, MI 49415, telephone number 231.865.4005.

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## **BASIC FINANCIAL STATEMENTS**

## FRUITPORT COMMUNITY SCHOOLS

### Statement of Net Position

June 30, 2023

	<b>Governmental Activities</b>
<b>Assets</b>	
Cash and investments	\$ 14,952,609
Receivables	7,400,197
Inventory	35,580
Prepaid and other assets	185,371
Capital assets not being depreciated	1,977,172
Capital assets being depreciated, net	<u>67,028,923</u>
<b>Total assets</b>	<u>91,579,852</u>
<b>Deferred outflows of resources</b>	
Deferred charge on advance bond refundings	67,492
Deferred pension amounts	19,323,744
Deferred other postemployment benefit amounts	<u>5,055,748</u>
<b>Total deferred outflows of resources</b>	<u>24,446,984</u>
<b>Liabilities</b>	
Accounts payable and accrued liabilities	6,398,150
Unearned revenue	2,249,331
Bonds, notes and other long-term liabilities:	
Due in one year	3,154,711
Due in more than one year	57,857,317
Net pension liability (due in more than one year)	62,543,022
Net other postemployment benefit liability (due in more than one year)	<u>3,592,831</u>
<b>Total liabilities</b>	<u>135,795,362</u>
<b>Deferred inflows of resources</b>	
Deferred pension amounts	1,289,784
Deferred other postemployment benefit amounts	<u>7,863,794</u>
<b>Total deferred inflows of resources</b>	<u>9,153,578</u>
<b>Net position</b>	
Net investment in capital assets	12,245,926
Restricted for:	
Debt service	446,083
Food service	721,510
Technology improvements	486,637
Unrestricted (deficit)	<u>(42,822,260)</u>
<b>Total net position</b>	<u>\$ (28,922,104)</u>

The accompanying notes are an integral part of these basic financial statements.

**FRUITPORT COMMUNITY SCHOOLS**

**Statement of Activities**

For the Year Ended June 30, 2023

Functions / Programs	Expenses	Program Revenues		Net (Expense) Revenues
		Charges for Services	Operating Grants and Contributions	
<b>Governmental activities</b>				
Instruction	\$ 22,461,047	\$ 6,402	\$ 14,130,021	\$ (8,324,624)
Supporting services	13,985,063	-	1,018,583	(12,966,480)
Athletics	676,859	148,997	-	(527,862)
Community services	1,128,998	868,487	245,878	(14,633)
Food services	1,516,336	337,935	1,351,680	173,279
Student/school activity	733,159	852,994	-	119,835
Interest on long-term debt	2,502,445	-	259,797	(2,242,648)
Depreciation - unallocated	1,795,526	-	-	(1,795,526)
<b>Total governmental activities</b>	<u>\$ 44,799,433</u>	<u>\$ 2,214,815</u>	<u>\$ 17,005,959</u>	<u>(25,578,659)</u>
General revenues:				
Property taxes for:				
District operations				3,194,088
Debt service				5,123,210
State of Michigan aid - unrestricted				20,943,443
Grants and contributions not restricted to specific programs				152,185
Unrestricted investment earnings				352,443
<b>Total general revenues</b>				<u>29,765,369</u>
<b>Change in net position</b>				4,186,710
Net position, beginning of year				<u>(33,108,814)</u>
<b>Net position, end of year</b>				<u>\$ (28,922,104)</u>

The accompanying notes are an integral part of these basic financial statements.

## FRUITPORT COMMUNITY SCHOOLS

### Balance Sheet

Governmental Funds  
June 30, 2023

	General Fund	2021 Capital Projects Fund	Nonmajor Governmental Funds	Total
<b>Assets</b>				
Cash and investments	\$ 5,998,097	\$ 3,981,126	\$ 4,973,386	\$ 14,952,609
Receivables:				
Accounts	381	-	-	381
Due from other governments	7,349,340	-	50,476	7,399,816
Due from other funds	195,160	-	375,000	570,160
Inventory	-	-	35,580	35,580
Prepaid and other assets	59,776	-	125,595	185,371
<b>Total assets</b>	<u>\$ 13,602,754</u>	<u>\$ 3,981,126</u>	<u>\$ 5,560,037</u>	<u>\$ 23,143,917</u>
<b>Liabilities</b>				
Accounts payable	\$ 653,295	\$ 228,779	\$ 50,435	\$ 932,509
Accrued liabilities	5,000,746	-	12,015	5,012,761
Due to other governments	-	-	84	84
Due to other funds	375,000	-	195,160	570,160
Unearned revenue	2,205,439	-	43,892	2,249,331
<b>Total liabilities</b>	<u>8,234,480</u>	<u>228,779</u>	<u>301,586</u>	<u>8,764,845</u>
<b>Fund balances</b>				
Nonspendable	59,776	-	161,175	220,951
Restricted	-	3,752,347	1,945,851	5,698,198
Committed	-	-	3,151,425	3,151,425
Assigned	392,971	-	-	392,971
Unassigned	4,915,527	-	-	4,915,527
<b>Total fund balances</b>	<u>5,368,274</u>	<u>3,752,347</u>	<u>5,258,451</u>	<u>14,379,072</u>
<b>Total liabilities and fund balances</b>	<u>\$ 13,602,754</u>	<u>\$ 3,981,126</u>	<u>\$ 5,560,037</u>	<u>\$ 23,143,917</u>

The accompanying notes are an integral part of these basic financial statements.

## FRUITPORT COMMUNITY SCHOOLS

### Reconciliation

Fund Balances of Governmental Funds  
to Net Position of Governmental Activities  
June 30, 2023

**Fund balances - total governmental funds** \$ 14,379,072

Amounts reported for *governmental activities* in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources  
and therefore are not reported in the funds.

Capital assets not being depreciated	1,977,172
Capital assets being depreciated, net	67,028,923

Certain liabilities, such as bonds payable, are not due and payable in the  
current period and therefore are not reported in the funds.

General obligation bonds	(54,435,000)
Other installment debt	(427,016)
Deferred issuance premiums	(5,717,992)
Unamortized deferred charge on bond refunding	67,492
Compensated absences	(432,020)
Accrued interest on bonds, notes and long-term liabilities	(452,796)

Certain pension and other postemployment benefit-related amounts, such as  
the net pension liability, net other postemployment benefit liability, and deferred  
amounts are not due and payable in the current period or do not represent current  
financial resources and therefore are not reported in the funds.

Net pension liability	(62,543,022)
Deferred outflows related to the net pension liability	19,323,744
Deferred inflows related to the net pension liability	(1,289,784)
Net other postemployment benefit liability	(3,592,831)
Deferred outflows related to the net other postemployment benefit liability	5,055,748
Deferred inflows related to the net other postemployment benefit liability	<u>(7,863,794)</u>

**Net position of governmental activities** \$ (28,922,104)

The accompanying notes are an integral part of these basic financial statements.



**FRUITPORT COMMUNITY SCHOOLS**

**Statement of Revenues, Expenditures and Changes in Fund Balances**

Governmental Funds

For the Year Ended June 30, 2023

	General Fund	2021 Capital Projects Fund	Nonmajor Governmental Funds	Total
<b>Revenues</b>				
Local sources	\$ 5,426,457	\$ 165,083	\$ 7,901,730	\$ 13,493,270
State sources	30,097,135	-	77,164	30,174,299
Federal sources	3,369,611	-	1,948,963	5,318,574
<b>Total revenues</b>	<b>38,893,203</b>	<b>165,083</b>	<b>9,927,857</b>	<b>48,986,143</b>
<b>Expenditures</b>				
Current:				
Instruction	22,198,162	-	-	22,198,162
Supporting services	14,981,446	-	499,968	15,481,414
Athletics	781,989	-	-	781,989
Community services	108,402	-	1,043,918	1,152,320
Food services	-	-	1,859,970	1,859,970
Student/school activity	-	-	733,159	733,159
Debt service:				
Principal	16,637	-	2,695,000	2,711,637
Interest and other charges	23,780	-	2,790,352	2,814,132
Capital outlay	-	1,862,172	2,017,875	3,880,047
<b>Total expenditures</b>	<b>38,110,416</b>	<b>1,862,172</b>	<b>11,640,242</b>	<b>51,612,830</b>
Revenues over (under) expenditures	782,787	(1,697,089)	(1,712,385)	(2,626,687)
<b>Other financing sources (uses)</b>				
Transfers in	90,000	-	582,946	672,946
Transfers out	(462,000)	-	(210,946)	(672,946)
<b>Total other financing sources (uses)</b>	<b>(372,000)</b>	<b>-</b>	<b>372,000</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>410,787</b>	<b>(1,697,089)</b>	<b>(1,340,385)</b>	<b>(2,626,687)</b>
Fund balances, beginning of year	4,957,487	5,449,436	6,598,836	17,005,759
<b>Fund balances, end of year</b>	<b>\$ 5,368,274</b>	<b>\$ 3,752,347</b>	<b>\$ 5,258,451</b>	<b>\$ 14,379,072</b>

The accompanying notes are an integral part of these basic financial statements.

## FRUITPORT COMMUNITY SCHOOLS

### Reconciliation

Net Change in Fund Balances of Governmental Funds  
To Change in Net Position of Governmental Activities  
For the Year Ended June 30, 2023

**Net change in fund balances - total governmental funds** \$ (2,626,687)

Amounts reported for *governmental activities* in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital assets purchased/constructed	4,681,505
Depreciation expense	(1,795,526)
Loss on disposal of capital assets	(2,304,888)

Bond proceeds provide current financial resources to governmental funds in the period issued, but issuing bonds increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but a reduction in long-term debt on the statement of net position.

Principal payments on bonds, notes and other long-term liabilities	2,711,637
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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 funds.

Amortization of bond premiums	303,980
Amortization of deferred charge on bond refunding	(13,964)
Change in accrued interest payable on bonds	21,671
Change in the accrual for compensated absences	38,445
Change in the net pension liability and related deferred amounts	446,386
Change in the net other postemployment benefit liability and related deferred amounts	<u>2,724,151</u>

**Change in net position of governmental activities** \$ 4,186,710

The accompanying notes are an integral part of these basic financial statements.

## FRUITPORT COMMUNITY SCHOOLS

### Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund  
For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance From Final Budget
<b>Revenues</b>				
Local sources:				
Property taxes	\$ 3,163,000	\$ 3,163,954	\$ 3,194,088	\$ 30,134
Interdistrict	1,408,821	1,546,321	1,606,718	60,397
Investment earnings	200	30,000	66,962	36,962
Charges for services	119,350	148,283	158,548	10,265
Operating grants	100,000	100,000	247,956	147,956
Other	137,400	142,450	152,185	9,735
Total local sources	<u>4,928,771</u>	<u>5,131,008</u>	<u>5,426,457</u>	<u>295,449</u>
State sources	26,258,139	30,180,601	30,097,135	(83,466)
Federal sources	3,742,004	3,367,656	3,369,611	1,955
<b>Total revenues</b>	<u>34,928,914</u>	<u>38,679,265</u>	<u>38,893,203</u>	<u>213,938</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Basic programs	14,535,115	15,775,625	15,612,693	(162,932)
Added needs	6,110,102	6,534,087	6,484,104	(49,983)
Adult and continuing education	89,221	101,103	101,365	262
Total instruction	<u>20,734,438</u>	<u>22,410,815</u>	<u>22,198,162</u>	<u>(212,653)</u>
Supporting services:				
Pupil	3,502,317	3,641,175	3,612,592	(28,583)
Instructional staff	1,513,194	1,686,277	1,579,378	(106,899)
General administration	555,325	620,902	604,776	(16,126)
School administration	1,948,218	2,202,367	2,200,710	(1,657)
Business	629,263	661,774	601,125	(60,649)
Operations and maintenance	3,087,430	3,413,170	3,621,897	208,727
Pupil transportation services	2,042,745	2,274,154	2,147,603	(126,551)
Central services	474,031	685,892	613,365	(72,527)
Total supporting services	<u>13,752,523</u>	<u>15,185,711</u>	<u>14,981,446</u>	<u>(204,265)</u>
Athletics	<u>688,383</u>	<u>818,890</u>	<u>781,989</u>	<u>(36,901)</u>
Community services	<u>105,629</u>	<u>96,023</u>	<u>108,402</u>	<u>12,379</u>
Debt service:				
Principal	15,790	16,637	16,637	-
Interest and other charges	24,626	23,780	23,780	-
Total debt service	<u>40,416</u>	<u>40,417</u>	<u>40,417</u>	<u>-</u>
<b>Total expenditures</b>	<u>35,321,389</u>	<u>38,551,856</u>	<u>38,110,416</u>	<u>(441,440)</u>

continued...

The accompanying notes are an integral part of these basic financial statements.

**FRUITPORT COMMUNITY SCHOOLS**

**Statement of Revenues, Expenditures and Changes in Fund Balance**  
Budget and Actual - General Fund  
For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance From Final Budget
Revenues over (under) expenditures	\$ (392,475)	\$ 127,409	\$ 782,787	\$ 655,378
<b>Other financing sources (uses)</b>				
Transfers in	75,000	90,000	90,000	-
Transfers out	(22,733)	(87,232)	(462,000)	374,768
Proceeds from sale of capital assets	2,000	2,000	-	(2,000)
<b>Total other financing sources (uses)</b>	54,267	4,768	(372,000)	(376,768)
<b>Net change in fund balance</b>	(338,208)	132,177	410,787	278,610
Fund balance, beginning of year	4,957,487	4,957,487	4,957,487	-
<b>Fund balance, end of year</b>	<u>\$ 4,619,279</u>	<u>\$ 5,089,664</u>	<u>\$ 5,368,274</u>	<u>\$ 278,610</u>

concluded

The accompanying notes are an integral part of these basic financial statements.

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## **NOTES TO FINANCIAL STATEMENTS**

## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

##### ***The Reporting Entity***

The District is governed by an elected seven-member Board of Education, which has decision-making authority, the authority to levy taxes and determine its budget, the power to designate management, and primary accountability for fiscal matters. The financial statements of the District contain all funds controlled by the District's Board of Education.

##### ***Government-wide and Fund 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 nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The District had no *business-type activities* during the year ended June 30, 2023.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *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 or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

##### ***Measurement Focus, Basis of Accounting, and Financial Statement Presentation***

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.

## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

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 collected within 60 days of the end of the current fiscal period or within one year for expenditure-driven grants. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Property taxes, State school aid, expenditure-driven grant revenue 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. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental fund:

The *general fund* is the District's primary operating fund. It accounts for all financial resources of the District, except those accounted for and reported in another fund.

The *2021 capital projects fund* is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure in connection with the building and site bonds issued in 2021.

Additionally, the District reports the following fund types:

The *special revenue funds* are used to account for and report financial resources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.

The *debt service funds* are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

The *capital projects funds* are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Restricted net position includes assets that are subject to restrictions beyond the District's control. The restrictions may be externally imposed or imposed by law. When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

The effect of interfund activity has been eliminated from the government-wide financial statements.



## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

#### ***Budgets and Budgetary Accounting***

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

Budgets are adopted for general and special revenue funds as required by state law and are adopted on a basis consistent with generally accepted accounting principles (GAAP). The District considers the debt service payment schedule to be an adequate budgetary control. The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Superintendent submits to the Board a proposed operating budget for the fiscal year commencing the following July 1.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through passage of a resolution.
4. Formal budgetary integration is employed as a management control device during the year for all governmental funds requiring budgets.
5. Adoption and amendments of all budgets used by the District are governed by Public Act 621, which was followed for the year ended June 30, 2023. Expenditures may not exceed appropriations at the function level. The appropriations resolutions are based on the projected expenditures budget of the department heads of the District. Any amendment to the original budget must meet the requirements of Public Act 621. Any revisions that alter the total expenditures of any fund must be approved by the Board of Education.

#### **Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Equity**

##### ***Cash and Investments***

The District invests in external investment pools ("Pools"), which consist of "qualified" investments for Michigan school districts. The Pools are not regulated nor are they registered with the SEC. In accordance with GASB 79, *Certain External Investment Pools and Pool Participants*, the District's shares are recorded at amortized cost, which approximates fair value.

Michigan law authorizes the District to invest in:

Bonds, bills or notes of the United States; obligations, the principal and interest of which are fully guaranteed by the United States; or obligations of the State. In a primary or fourth class school district, the bonds, bills or notes shall be payable at the option of the holder upon no more than 90 days notice or, if not so payable, shall have maturity dates not more than 5 years after the purchase date.

Certificates of deposit issued by a State or national bank, savings accounts of a state or federal savings and loan association, or certificates of deposit or share certificates of a state or federal credit union organized and authorized to operate in this State.

## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

Commercial paper rated at the time of purchase and maturing not more than 270 days after the date of purchase.

Securities issued or guaranteed by agencies or instrumentalities of the United States, United States government or federal agency obligation repurchase agreements, and bankers' acceptance issued by a bank that is a member of the federal deposit insurance corporation.

Mutual funds composed entirely of investment vehicles that are legal for direct investment by a school district.

Investment pools, as authorized by the surplus funds investment pool act, composed entirely of instruments that are legal for direct investment by a school district.

#### ***Receivables***

The District follows the practice of recording receivables for revenues that have been earned but not yet received. Receivables consist primarily of State School Aid payments from the State of Michigan and Federal grant funds earned but not yet collected. No amounts have been identified as potentially uncollectible by management, and therefore, no amount has been recorded as a provision for bad debts.

#### ***Inventory***

Inventories are stated at cost using the first-in, first-out method, and consist primarily of food and cafeteria supplies. USDA donated commodities in the food service fund are recorded at fair value.

#### ***Prepaid and Other Assets***

Payments to vendors for services that will benefit periods beyond a fund's fiscal year-end are recorded as prepaid items in both government-wide and fund financial statements. Deposits held by vendors according to contract are recorded as other assets.

#### ***Capital Assets***

Capital assets, which include land, buildings, equipment, and vehicles, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 (and certain computer equipment below this threshold if the aggregate purchase is over \$5,000) and an estimated useful life in excess of one year. Capital assets are stated at historical cost or estimated historical cost where actual cost information is not available. Donated capital assets are recorded at their estimated acquisition cost as of the donation date.

The costs of normal repair and maintenance that do not add to the value or materially extend asset lives are not capitalized.

## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets of the primary government are depreciated using the straight-line method over the following estimated useful lives:

	Years
Buildings and improvements	7-50
Furniture and equipment	5-20
Vehicles	5-10

#### ***Deferred Outflows of Resources***

In addition to assets, the statement of financial position reports 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 reports deferred outflows for the deferred charge on advance bond refundings, which results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The District also reports deferred outflows of resources related to the net pension and other postemployment benefit liabilities. A portion of these costs represent contributions to the plans subsequent to the plan measurement date.

#### ***Accrued Liabilities***

A liability is recorded at June 30 for those amounts owed to teachers and other employees of the District who do not work during the summer when school is not in session but have elected to have their salaries paid over an entire year. This has the effect of properly charging their salaries to expenditures in the fiscal year in which their services are received, even though they are not paid until July and August of the following fiscal year.

The liability for accrued retirement and the employer share of FICA related to the salaries payable has been recorded as has the liability for employee health insurances for the months of July, August, and September. The District pays these insurances for this period as a part of the compensation for services rendered in the preceding school year.

#### ***Compensated Absences***

Most employees of the District are compensated for leaves of absences chargeable to sick days. Each school year, the covered employees are credited with a number of sick days and any unused portion of such allowances can accumulate. Upon retirement, those employees who meet certain age and years of service requirements will be paid for a portion of sick days accumulated to a maximum number of days and at a rate determined by their job category.

## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

The liability for the sick leave has been computed using the vesting method in accordance with Governmental Accounting Standards Board Statement No. 16. This liability is shown on the statement of net position.

#### *Deferred Inflows of Resources*

In addition to liabilities, the statement of financial position reports 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 one or more future periods and so will not be recognized as an inflow of resources (revenue) until that time. The District's deferred inflows of resources are related to the net pension and other postemployment benefit liabilities.

#### *Long-term Obligations*

In the government-wide financial statements, long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received in 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 proceeds received, are reported as debt service expenditures.

#### *Fund Equity*

Governmental funds report nonspendable fund balance for amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Restricted fund balance is reported when externally imposed constraints are placed on the use of resources by grantors, contributors, or laws or regulations of other governments. Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Education. A formal resolution of the Board of Education is required to establish, modify, or rescind a fund balance commitment. The District reports assigned fund balance for amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The Board of Education has delegated the authority to assign fund balance to the Superintendent or his/her designee. Unassigned fund balance is the residual classification for the general fund.

The Board of Education has adopted a minimum fund balance policy in which the total fund balance of the general fund will be equal to at least 6 percent of the prior year's expenditures.

When the District incurs an expenditure for purposes for which various fund balance classifications can be used, it is the District's policy to use restricted fund balance first, then committed fund balance, assigned fund balance, and finally unassigned fund balance.

## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

#### *Property Taxes*

Property taxes are recognized as revenue in the General and Debt Service funds on a levy year basis. The 2022 levy amounts are recognized as current property tax revenue to the extent they are collected during the year or within sixty days after year end. Collections of delinquent taxes in subsequent years are recognized as property tax revenues in the year collected. Property taxes are levied on July 1 and December 1 on the assessed valuation of property located in the District as of the preceding December 31, the lien date. Assessed values are established annually by the various governmental units within the District and are equalized by the State of Michigan.

#### *Interfund Transactions*

During the course of normal operations, the District has numerous transactions between funds, including expenditures and transfers of resources to provide services, construct assets, and service debt. The accompanying financial statements generally reflect such transactions as transfers. Operating subsidies are also recorded as transfers. The amounts recorded as subsidies or advances are determined by the District.

#### *Pensions and Other Postemployment Benefits*

For purposes of measuring the net pension liability, the net other postemployment benefit liability, deferred outflows of resources and deferred inflows of resources related to pensions and other postemployment benefits, and pension and other postemployment benefit expense, information about the fiduciary net position of the plan and additions to/deductions from the plan fiduciary net position have been determined on the same basis as they are reported by the plan. 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.

#### *Use of Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

## 2. STATE OF MICHIGAN SCHOOL AID

The District reports State of Michigan school aid in the fiscal year in which the District is entitled to the revenue as provided by State of Michigan school aid appropriation acts. State funding represented 77% of the District's general fund revenue during the 2023 fiscal year.

## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

#### 3. EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN BUDGETARY FUNDS

##### Excess of Expenditures over Appropriations in Budgetary Funds

During the year ended June 30, 2023, the District incurred expenditures in certain budgetary funds which were in excess of the amounts appropriated, as follows:

	Total Appropriations	Amount of Expenditures	Budget Variance
<b>General Fund</b>			
Current:			
Instruction:			
Adult and continuing education	\$ 101,103	\$ 101,365	\$ 262
Supporting services:			
Operations and maintenance	3,413,170	3,621,897	208,727
Community services	96,023	108,402	12,379
Transfers out	87,232	462,000	374,768

#### 4. DEPOSIT AND INVESTMENTS

The captions on the government-wide statement relating to cash and investments are as follows:

Statement of Net Position	Governmental Activities
Cash and investments	\$ 14,952,609

The composition of cash and investments is as follows:

Deposits in checking and savings accounts	\$ 6,921,166
Investments	8,030,953
Cash on hand	490
<b>Total</b>	<b>\$ 14,952,609</b>

The District's deposits are in two (2) financial institutions located in Michigan. State policy limits the District's investing options to financial institutions located in Michigan. All accounts are in the name of the District and a specific fund or common account. They are recorded in District records at fair value.

## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

The District chooses to disclose its investments by specifically identifying each. As of June 30, 2023, the District had the following investments:

	Maturity	Carrying Value	Rating
External investment pools:			
Michigan Liquid Asset Fund (MILAF):			
MILAF + Portfolio:			
Cash management class	N/A	\$ 5,147,840	AAAm S&P
MAX class	N/A	1,883,113	AAAm S&P
MILAF Term:			
Michigan Term Series Sep 2023	7/25/2023	<u>1,000,000</u>	Kroll AAAfk
<b>Total investments</b>		<u>\$ 8,030,953</u>	

#### ***Investment and Deposit Risk***

*Interest Rate Risk* - State law limits the allowable investments and the maturities of some of the allowable investments as identified in Note 1 of the summary of significant accounting policies. The District's investment policy does not have specific limits in excess of state law on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Credit Risk* - State law limits investments to specific government securities, certificates of deposits and bank accounts with qualified financial institutions, commercial paper with specific maximum maturities and ratings when purchased, bankers acceptances of the District's specific financial institutions, qualified mutual funds, and qualified external investment pools as identified in Note 1 (summary of significant accounting policies). The District's investment policy does not have specific limits in excess of state law on investment credit risk. The ratings for each investment are identified above for investments held at year end.

*Custodial Credit Risk - Deposits* - Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned. The District minimizes this risk by pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors to be in compliance with the requirements set forth in the District's investment policy. As of year end, \$6,916,047 of the District's bank balance of \$7,166,047 was exposed to custodial credit risk because it was uninsured and uncollateralized.

*Custodial Credit Risk - Investments* - For an investment, custodial credit risk 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 minimizes this risk by pre-qualifying the financial institutions, brokers/dealers, intermediaries and advisors to be in compliance with the requirements set forth in the District's investment policy. In accordance with the District's investment policy, all investments are held in the name of the District and are evidenced by a safekeeping receipt confirmation, and thus not exposed to custodial credit risk.

## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

*Concentration of Credit Risk* - State law limits allowable investments but does not limit concentration of credit risk as identified in Note 1 of the summary of significant accounting policies. The District's investment policy does not have specific limits in excess of state law on concentration of credit risk. All investments held at year end are reported above.

#### **Fair Value Measurement**

*Investments in Entities that Calculate Net Asset Value per Share.* The District holds shares in the Michigan Liquid Asset Fund (MILAF) Term Series whereby the fair value of the investment is measured on a recurring basis using net asset value per share (or its equivalent) of the investment pool as a practical expedient.

At year end, the net asset value of the District's investment in the MILAF Term Series was \$1,000,000. The investment pool had no unfunded commitments and requires a minimum investment of \$100,000.

The MILAF Term Series provides a fixed rate, fixed-term investment with a minimum maturity of 60 days and a maximum maturity of one year. The pool allows the District to set a specific redemption date upon initiation of the investment. Early redemptions are permitted; however, an early redemption fee would apply. The investment pool includes investments which the District does not control.

The investment pool invests primarily in high quality money market instruments, including certificate of deposits, commercial paper, and U.S. government and agency obligations, to protect the investment principal and provide liquidity.

### 5. RECEIVABLES

Receivables are comprised of the following at year-end:

	<b>Governmental Activities</b>
Accounts	\$ 381
Due from other governments	<u>7,399,816</u>
<b>Total receivables</b>	<u><u>\$ 7,400,197</u></u>



## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

#### 6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities are comprised of the following at year-end:

	<b>Governmental Activities</b>
Accounts payable	\$ 932,509
Accrued liabilities	5,012,761
Due to other governments	84
Accrued interest payable	<u>452,796</u>
<b>Total</b>	<u><u>\$ 6,398,150</u></u>

#### 7. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023, was as follows:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Disposals</b>	<b>Transfers</b>	<b>Ending Balance</b>
<b>Governmental Activities</b>					
Capital assets, not being depreciated:					
Land	\$ 225,303	\$ -	\$ -	\$ -	\$ 225,303
Construction in progress	49,527,434	1,751,869	-	(49,527,434)	1,751,869
	<u>49,752,737</u>	<u>1,751,869</u>	<u>-</u>	<u>(49,527,434)</u>	<u>1,977,172</u>
Capital assets, being depreciated:					
Buildings & improvements	37,242,103	2,501,284	(7,686,439)	49,527,434	81,584,382
Furniture & equipment	3,500,401	353,662	(1,299,870)	-	2,554,193
Vehicles	3,289,476	74,690	(373,139)	-	2,991,027
	<u>44,031,980</u>	<u>2,929,636</u>	<u>(9,359,448)</u>	<u>49,527,434</u>	<u>87,129,602</u>
Less accumulated depreciation for:					
Buildings & improvements	(20,753,649)	(1,425,136)	5,427,738	-	(16,751,047)
Furniture & equipment	(2,676,527)	(139,308)	1,253,683	-	(1,562,152)
Vehicles	(1,929,537)	(231,082)	373,139	-	(1,787,480)
	<u>(25,359,713)</u>	<u>(1,795,526)</u>	<u>7,054,560</u>	<u>-</u>	<u>(20,100,679)</u>
Total capital assets being depreciated, net	<u>18,672,267</u>	<u>1,134,110</u>	<u>(2,304,888)</u>	<u>49,527,434</u>	<u>67,028,923</u>
<b>Governmental activities capital assets, net</b>	<u><u>\$ 68,425,004</u></u>	<u><u>\$ 2,885,979</u></u>	<u><u>\$ (2,304,888)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 69,006,095</u></u>

Depreciation expense for the fiscal year ended June 30, 2023 amounted to \$1,795,526. The District determined that it was impractical to allocate depreciation to the various functions as the assets serve multiple functions.

## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

At June 30, 2023, the District has approximately \$2,683,000 in commitments related to the construction in progress reported above.

#### 8. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At June 30, 2023, interfund receivables and payables consisted of the following:

	Due from Other Funds	Due to Other Funds
General fund	\$ 195,160	\$ 375,000
Nonmajor governmental funds	375,000	195,160
<b>Total</b>	<u>\$ 570,160</u>	<u>\$ 570,160</u>

The District reports interfund balances between many of its funds. The sum of all balances presented in the tables above agrees with the sum of interfund balances presented in the balance sheet for the governmental funds. These interfund balances resulted primarily 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 system, and (3) payments between funds are made.

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, and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

For the year ended June 30, 2023, interfund transfers consisted of the following:

	Transfers Out		
	General Fund	Nonmajor Governmental Funds	Total
General fund	\$ -	\$ 90,000	\$ 90,000
Nonmajor governmental funds	462,000	120,946	582,946
	<u>\$ 462,000</u>	<u>\$ 210,946</u>	<u>\$ 672,946</u>

Transfers relate to: 1) indirect charges received by the general fund from the food service and child care special revenue funds, and 2) a transfer from the general fund to the building and site fund for capital projects.

## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

#### 9. BONDS, NOTES AND OTHER LONG-TERM LIABILITIES

The District issues bonds and other notes to provide for the acquisition and construction of major capital facilities and the acquisition of certain equipment. General obligation bonds are direct obligations and pledge the full faith and credit of the District. Notes from direct borrowing and direct placements include an obligation to Fruitport Township for improvements to the local sewer system. Other long-term debt consists of bond issuance premiums and compensated absences. The following is a summary of bonds, notes and other long-term liability transactions of the District for the year ended June 30, 2023:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
<b>Governmental Activities</b>					
General obligation bonds	\$ 57,130,000	\$ -	\$ (2,695,000)	\$ 54,435,000	\$ 2,790,000
Notes from direct borrowings and direct placements:					
Township sewer project debt	443,653	-	(16,637)	427,016	17,529
Total installment debt	57,573,653	-	(2,711,637)	54,862,016	2,807,529
Deferred amounts:					
For issuance premiums	6,021,972	-	(303,980)	5,717,992	303,980
Compensated absences	470,465	185,745	(224,190)	432,020	43,202
	<u>\$ 64,066,090</u>	<u>\$ 185,745</u>	<u>\$ (3,239,807)</u>	<u>\$ 61,012,028</u>	<u>\$ 3,154,711</u>

Compensated absences are generally liquidated by the general fund.

The District's general obligation bonds consist of the following items:

	Ending Balance	Due Within One Year
<b>Governmental activities</b>		
General obligation bonds:		
\$8,125,000 2010 General Obligation Bonds (Building and Site), due in annual installment of \$185,000 to \$1,000,000 plus interest ranging from 3.20% to 6.30%, payable semi-annually, through May 1, 2027.	\$ 4,000,000	\$ 1,000,000
\$17,885,000 2017 General Obligation Building and Site Bonds, due in annual installments of \$90,000 to \$1,250,000 plus interest ranging from 4.00% to 5.00%, payable semi-annually, through May 1, 2046.	16,055,000	230,000

continued...

## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

	Ending Balance	Due Within One Year
<b>Governmental activities (concluded)</b>		
General obligation bonds (concluded):		
\$3,005,000 2017 General Obligation Refunding Bonds, due in annual installments (beginning in 2021) of \$360,000 to \$395,000 plus interest ranging from 4.00% to 5.00%, payable semi-annually, through May 1, 2028.	\$ 1,840,000	\$ 375,000
\$27,945,000 2018 General Obligation Building and Site Bonds, due in annual installments of \$180,000 to \$1,270,000 plus interest ranging from 4.00% to 5.00%, payable semi-annually, through May 1, 2046.	26,850,000	595,000
\$7,005,000 2021 General Obligation Building and Site Bonds, due in annual installments of \$100,000 to \$700,000 plus interest ranging from 3.00% to 4.00%, payable semi-annually, through May 1, 2036.	<u>5,690,000</u>	<u>590,000</u>
<b>Total</b>	<u>\$ 54,435,000</u>	<u>\$ 2,790,000</u>
		concluded

The District's notes from direct borrowings and direct placements consists of the following item:

	Ending Balance	Due Within One Year
Other installment debt:		
\$549,633 Fruitport Township Sewer Connection Charges, due in annual installments of \$40,417 including interest at 5.36%, through February 1, 2039.	<u>\$ 427,016</u>	<u>\$ 17,529</u>

## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

Annual debt service requirements to maturity for long-term debt are as follows:

Year Ended June 30,	Governmental Activities			
	General Obligation Bonds		Notes from Direct Borrowings and Direct Placements	
	Principal	Interest	Principal	Interest
2024	\$ 2,790,000	\$ 2,659,550	\$ 17,529	\$ 22,888
2025	2,925,000	2,527,950	18,468	21,949
2026	3,050,000	2,387,950	19,458	20,959
2027	3,235,000	2,234,750	20,501	19,916
2028	2,060,000	2,072,900	21,600	18,817
2029-2033	11,890,000	8,737,600	126,658	75,425
2034-2038	11,925,000	5,788,050	164,441	37,643
2039-2043	10,350,000	3,105,000	38,361	2,056
2044-2046	6,210,000	621,000	-	-
	<u>\$ 54,435,000</u>	<u>\$ 30,134,750</u>	<u>\$ 427,016</u>	<u>\$ 219,653</u>

### 10. RISK MANAGEMENT

The District is a member of the MASB SET/SEG Risk Pool (the "Pool"), a self-insurance program, owned by the members, with 480 other districts pooling together to insure property, liability and auto exposure. Contributions from members of the Pool are determined through standard underwriting procedures. The members of the Pool have contributed amounts sufficient to fund individual losses of \$500,000 per occurrence. Reinsurance up to \$750,000,000 per occurrence has been purchased to cover claims exceeding this amount. The District is responsible for the first \$1,000 per occurrence for property losses. The District paid \$123,250 in contributions to the Pool for the year ended June 30, 2023. Settled claims relating to the commercial insurance have not exceeded the amount of coverage in any of the past three fiscal years.

The District is also a member of the MASB SET/SEG Workers Compensation Fund (the "Fund"), a self-insurance program, owned by the members, with 482 other districts pooling together to insure workers' compensation and employers' liability exposures. The Fund pays the first \$500,000 of any workers' compensation or employers' liability loss out of the loss fund collected from members. Excess insurance has been purchased to cover claims exceeding those amounts. As of June 30, 2023, there were no material pending claims against the District. The District paid \$29,028 in premiums to the Fund for the year ended June 30, 2023. Each year, the Fund returns net position to each member in the form of a premium reduction.

Health, life and other employee insurance is provided by private insurance carriers. No settlements have occurred in excess of coverage for June 30, 2023 or any of the previous three years.

## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

#### 11. PENSION AND OTHER POSTEMPLOYMENT BENEFITS PLANS

##### *Plan Description*

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

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

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

The System's financial statements are available at the ORS website at [www.michigan.gov/orsschools](http://www.michigan.gov/orsschools).

##### *Pension Benefits Provided*

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. Depending on the plan option selected, member retirement benefits are determined by final average compensation, years of service, and a pension factor ranging from 1.25% to 1.50%. 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.

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

## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

Participants in the defined contribution plan consist of one of the following: (1) members who worked for a Michigan public school on or after September 4, 2012 and elected to be enrolled in the defined contribution plan; (2) members who elected to transfer from the defined benefit plan to the defined contribution plan under the reform (P.A. 300) of 2012; or (3) members who worked for a Michigan public school on or after February 1, 2018 and did not elect participation in the Pension Plus 2 plan. Members who worked for a Michigan public school on or after September 4, 2012 and elected to be enrolled in the defined contribution plan receive a 100% match of the member contribution rate up to a maximum of 3% based on the member's gross earnings. Additionally, there is a mandatory employer contribution of 4% of the member's gross earnings for MPSERS members who elected to convert from a Basic or MIP benefit plan to the defined contribution benefit plan. Members electing the Pension Plus or Pension Plus 2 benefit plan receive a 50% match of the member's contribution percent up to a maximum of 1% based on the member's gross earnings. Effective October 1, 2017, there is a mandatory employer contribution of 4% of the member's gross earnings for members who elect the Defined Contribution benefit plan. The employer must match 100% of the employee contribution for any member who elected the Personal Healthcare Fund up to a maximum of 2% of the member's gross earnings. For all members with a Personal Health Care Fund (PHF), the first 2% of DC contributions must go into the PHF and must be matched 100% by the employer.

#### ***Other Postemployment Benefits Provided***

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

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

## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

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

#### **Contributions**

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

Employer contributions to the System are determined on an actuarial basis using the entry age normal actuarial cost method. Under this method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated on a level basis over the service of the individual between entry age and assumed exit age. The portion of this cost allocated to the current valuation year is called the normal cost. The remainder is called the actuarial accrued liability. Normal cost is funded on a current basis. The unfunded (overfunded) actuarial accrued liability as of the September 30, 2021 valuation will be amortized over an 17-year period beginning October 1, 2021 and ending September 30, 2038.

The table below summarizes pension contribution rates in effect for fiscal year 2023:

Benefit Structure	Member Rates	Employer Rates
Basic	0.00% - 4.00%	20.14% - 20.16%
Member Investment Plan (MIP)	3.00% - 7.00%	20.14% - 20.16%
Pension Plus	3.00% - 6.40%	17.22% - 17.24%
Pension Plus 2	6.20%	19.93% - 19.95%
Defined Contribution	0.00%	13.73% - 13.75%

For the year ended June 30, 2023, required and actual contributions from the District to the pension plan were \$6,062,329, which included \$2,914,515, the amount received from the State and remitted to the System to fund the MPSERS unfunded actuarial accrued liability ("UAAL") stabilization rate. In addition, the District had additional contributions of \$1,697,378, which was a one-time, state payment toward the MPSERS unfunded liability.



## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

The table below summarizes OPEB contribution rates in effect for fiscal year 2023:

Benefit Structure	Member Rates	Employer Rates
Premium Subsidy	3.00%	8.07% - 8.09%
Personal Healthcare Fund (PHF)	0.00%	7.21% - 7.23%

For the year ended June 30, 2023, required and actual contributions from the District to the OPEB plan were \$1,299,204.

The table below summarizes defined contribution rates in effect for fiscal year 2023:

Benefit Structure	Member Rates	Employer Rates
Defined Contribution	0.00% - 3.00%	0.00% - 7.00%
Personal Healthcare Fund (PHF)	0.00% - 2.00%	0.00% - 2.00%

For the year ended June 30, 2023, required and actual contributions from the District for those members with a defined contribution benefit were \$298,352.

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

At June 30, 2023, the District reported a liability of \$62,543,022 for its proportionate share of the MPSERS net pension liability. The net pension liability was measured as of September 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation rolled forward from September 2021. The District's proportion of the net pension liability was determined by dividing each employer's statutorily required pension contributions to the system during the measurement period by the percent of pension contributions required from all applicable employers during the measurement period. At September 30, 2022, the District's proportion was 0.16630%, which was an increase of 0.00193% from its proportion measured as of September 30, 2021.

## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

For the year ended June 30, 2023, the District recognized pension expense of \$7,196,823. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Differences between expected and actual experience	\$ 625,648	\$ 139,840	\$ 485,808
Changes in assumptions	10,747,132	-	10,747,132
Net difference between projected and actual earnings on pension plan investments	146,663	-	146,663
Changes in proportion and differences between employer contributions and proportionate share of contributions	439,899	1,149,944	(710,045)
	<u>11,959,342</u>	<u>1,289,784</u>	<u>10,669,558</u>
District contributions subsequent to the measurement date	7,364,402	-	7,364,402
	<u>7,364,402</u>	<u>-</u>	<u>7,364,402</u>
<b>Total</b>	<u>\$ 19,323,744</u>	<u>\$ 1,289,784</u>	<u>\$ 18,033,960</u>

The amount reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. 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 Ended June 30,	Amount
2024	\$ 2,889,562
2025	2,128,539
2026	2,020,883
2027	<u>3,630,574</u>
<b>Total</b>	<u>\$ 10,669,558</u>

## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

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

At June 30, 2023, the District reported a liability of \$3,592,831 for its proportionate share of the MPSERS net OPEB liability. The net OPEB liability was measured as of September 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation rolled forward from September 2021. The District's proportion of the net OPEB liability was determined by dividing each employer's statutorily required OPEB contributions to the system during the measurement period by the percent of OPEB contributions required from all applicable employers during the measurement period. At September 30, 2022, the District's proportion was 0.16963% which was an increase of 0.00851% from its proportion measured as of September 30, 2021.

For the year ended June 30, 2023, the District recognized OPEB expense of \$(1,473,266). At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Differences between expected and actual experience	\$ -	\$ 7,036,979	\$ (7,036,979)
Changes in assumptions	3,202,405	260,758	2,941,647
Net difference between projected and actual earnings on OPEB plan investments	280,808	-	280,808
Changes in proportion and differences between employer contributions and proportionate share of contributions	440,642	566,057	(125,415)
	<u>3,923,855</u>	<u>7,863,794</u>	<u>(3,939,939)</u>
District contributions subsequent to the measurement date	1,131,893	-	1,131,893
<b>Total</b>	<u>\$ 5,055,748</u>	<u>\$ 7,863,794</u>	<u>\$ (2,808,046)</u>

## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

The amount reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024. 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 Ended June 30,	Amount
2024	\$ (1,429,013)
2025	(1,268,948)
2026	(1,125,681)
2027	(125,079)
2028	(8,052)
Thereafter	<u>16,834</u>
<b>Total</b>	<b><u>\$ (3,939,939)</u></b>

#### **Actuarial Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The total pension and OPEB liabilities in the September 30, 2021 actuarial valuation were determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry age, normal
Wage inflation rate	2.75%
Investment rate of return:	
MIP and Basic plans (non-hybrid)	6.00%
Pension Plus plan (hybrid)	6.00%
Pension Plus 2 plan (hybrid)	6.00%
OPEB plans	6.00%
Projected salary increases	2.75% - 11.55%, including wage inflation at 2.75%
Cost of living adjustments	3% annual non-compounded for MIP members
Healthcare cost trend rate	Pre-65: 7.75% Year 1 graded to 3.5% Year 15; 3.0% Year 120 Post-65: 5.25% Year 1 graded to 3.5% Year 15; 3.0% Year 120
Mortality	RP-2014 Male and Female Employee Annuitant Mortality Tables, adjusted for mortality improvements using projection scale MP-2017 from 2006. For retirees, the tables were scaled by 82% for males and 78% for females. For active members, 100% of the table rates were used for both males and females.

## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

Other OPEB assumptions:

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

Assumption changes as a result of an experience study for the period 2012 through 2017 have been adopted by the System for use in the annual pension and OPEB valuations beginning with the September 30, 2018 valuation. The total pension and OPEB liabilities as of September 30, 2022, are based on the results of an actuarial valuation date of September 30, 2021, and rolled forward using generally accepted actuarial procedures, including the experience study. The recognition period for pension liabilities is 4.3922 years which is the average of the expected remaining service lives of all employees. The recognition period for OPEB liabilities is 6.2250 years which is the average of the expected remaining service lives of all employees. The recognition period for assets is 5 years.

*Changes in assumptions.* The payroll growth assumption for amortization purposes used in determining the fiscal year 2024 employer contributions decreased from 2.5% to 2.0%. Additionally, the discount rate used in the September 30, 2021 actuarial valuation decreased to 6.00% for the MIP and Basic plans, 6.00% for the Pension Plus Plan, and 6.00% for OPEB.

## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

#### *Long-term Expected Return on Pension Plan Assets*

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2022, are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
Domestic equity pools	25.00%	4.77%	1.19%
Private equity pools	16.00%	8.13%	1.30%
International equity pools	15.00%	6.26%	0.94%
Fixed income pools	13.00%	-0.19%	-0.02%
Real estate and infrastructure pools	10.00%	4.95%	0.50%
Absolute return pools	9.00%	2.52%	0.23%
Real return/opportunistic pools	10.00%	5.42%	0.54%
Short-term investment pools	2.00%	-0.47%	-0.01%
	<u>100.00%</u>		4.67%
Inflation			2.20%
Risk adjustment			<u>-0.87%</u>
<b>Investment rate of return</b>			<u><b>6.00%</b></u>

## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

#### *Long-term Expected Return on OPEB Plan Assets*

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation as of September 30, 2022, are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
Domestic equity pools	25.00%	4.77%	1.19%
Private equity pools	16.00%	8.13%	1.30%
International equity pools	15.00%	6.26%	0.94%
Fixed income pools	13.00%	-0.19%	-0.02%
Real estate and infrastructure pools	10.00%	4.95%	0.50%
Absolute return pools	9.00%	2.52%	0.23%
Real return/opportunistic pools	10.00%	5.42%	0.54%
Short-term investment pools	2.00%	-0.47%	-0.01%
	<u>100.00%</u>		4.67%
Inflation			2.20%
Risk adjustment			<u>-0.87%</u>
<b>Investment rate of return</b>			<u><u>6.00%</u></u>

#### *Rate of Return*

For the fiscal year ended September 30, 2022, the annual money-weighted rate of return on pension and OPEB plan investments, net of pension and OPEB plan investment expense, was -4.18% and -4.99%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

#### *Discount Rate*

A discount rate of 6.00% was used to measure the total pension and OPEB liabilities. This discount rate was based on the long-term expected rate of return on pension and OPEB plan investments of 6.00%. The projection of cash flows used to determine these discount rates assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension and 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 pension and OPEB plan investments was applied to all periods of projected benefit payments to determine the total pension and OPEB liabilities.

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

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

	<b>1% Decrease (5.00%)</b>	<b>Current Discount Rate (6.00%)</b>	<b>1% Increase (7.00%)</b>
District's proportionate share of the net pension liability	\$ 82,533,554	\$ 62,543,022	\$ 46,069,923

#### *Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate*

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

	<b>1% Decrease (5.00%)</b>	<b>Current Discount Rate (6.00%)</b>	<b>1% Increase (7.00%)</b>
District's proportionate share of the net OPEB liability	\$ 6,026,628	\$ 3,592,831	\$ 1,543,272



## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

#### *Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Healthcare Cost Trend Rate*

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

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 1,504,506	\$ 3,592,831	\$ 5,937,017

#### *Pension and OPEB Plans Fiduciary Net Position*

Detailed information about the pension and OPEB plan's fiduciary net position is available in the separately issued MPSERS financial statements available on the State of Michigan Office of Retirement Services website at [www.michigan.gov/orsschools](http://www.michigan.gov/orsschools).

#### *Payable to the Pension Plan*

At June 30, 2023, the District reported a payable of \$1,675,586 for the outstanding amount of pension contributions to the Plan required for the year ended June 30, 2023.

#### *Payable to the OPEB Plan*

At June 30, 2023, the District reported a payable of \$167,109 for the outstanding amount of OPEB contributions to the Plan required for the year ended June 30, 2023.

## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

#### 12. FUND BALANCES - GOVERNMENTAL FUNDS

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the District classifies fund balances based primarily on the extent to which it is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Detailed information on fund balances of governmental funds is as follows:

	General Fund	2021 Capital Projects Fund	Nonmajor Governmental Funds	Total
Nonspendable:				
Inventory	\$ -	\$ -	\$ 35,580	\$ 35,580
Prepaid and other assets	59,776	-	125,595	185,371
Total nonspendable	59,776	-	161,175	220,951
Restricted for:				
Debt service	-	-	898,879	898,879
Food services	-	-	560,335	560,335
Technology improvements	-	-	486,637	486,637
Capital projects (unexpended bond proceeds)	-	3,752,347	-	3,752,347
Total restricted	-	3,752,347	1,945,851	5,698,198
Committed for:				
Child care	-	-	831,050	831,050
Student/school activity	-	-	586,565	586,565
Capital projects	-	-	1,733,810	1,733,810
Total committed	-	-	3,151,425	3,151,425
Assigned for:				
Subsequent year's budget	392,971	-	-	392,971
Unassigned	4,915,527	-	-	4,915,527
<b>Total fund balances, governmental funds</b>	<b>\$ 5,368,274</b>	<b>\$ 3,752,347</b>	<b>\$ 5,258,451</b>	<b>\$ 14,379,072</b>

## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

#### 13. NET INVESTMENT IN CAPITAL ASSETS

The composition of net investment in capital assets as of June 30, 2023 was as follows:

Capital assets:	
Capital assets not being depreciated	\$ 1,977,172
Capital assets being depreciated, net	<u>67,028,923</u>
	<u>69,006,095</u>
Related debt:	
General obligation bonds	54,435,000
Other installment debt	427,016
Deferred charge on advance refundings	(67,492)
Deferred issuance premiums	5,717,992
Unexpended bond proceeds	<u>(3,752,347)</u>
	<u>56,760,169</u>
<b>Net investment in capital assets</b>	<u><u>\$ 12,245,926</u></u>

#### 14. CONTINGENCIES

##### *Federal Grant Programs*

The District participates in federally assisted grant programs, which are subject to program compliance audits by the grantor or its representatives. Such audits of these programs may be performed at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the District expects such amounts, if any, not to be material.

##### *Litigation*

In the normal course of its activities, the District is a party in various legal actions and subject to certain asserted and unasserted claims and assessments. Management of the District is of the opinion that the outcome of such actions will not have a material effect on the financial position of the District and, therefore, has not reflected loss reserves in the financial statements.

#### 15. BOND CONSTRUCTION COSTS

The 2017 capital projects fund includes capital project activities funded with bonds issued after May 1, 1994. For these capital projects, the District has complied with the applicable provisions of §1351a of the Michigan Revised School Code.

The 2021 capital projects fund includes capital project activities funded with bonds issued after May 1, 1994. For these capital projects, the District has complied with the applicable provisions of §1351a of the Michigan Revised School Code.

## FRUITPORT COMMUNITY SCHOOLS

### Notes to Financial Statements

#### 16. CORONAVIRUS (COVID-19)

In March 2020, the World Health Organization declared the novel coronavirus outbreak (COVID-19) to be a global pandemic. While the pandemic has resulted in an increase in the demands on the District to deliver education to students in a safe environment, the Federal Government has also provided significant resources to help mitigate the impacts of COVID-19. Over the past two years, the District has been awarded funds from various sources to be used to respond to the impacts of the COVID-19 pandemic. Of the amount awarded, approximately \$1.3 million was expended and recognized as revenue during the current fiscal year. With these additional Federal resources, at this time management does not believe that the negative financial impact of the pandemic, if any, would be material to the District.



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## **REQUIRED SUPPLEMENTARY INFORMATION**

## FRUITPORT COMMUNITY SCHOOLS

### Required Supplementary Information

#### MPSERS Cost-Sharing Multiple-Employer Plan

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

	Year Ended June 30,		
	2023	2022	2021
District's proportionate share of the net pension liability	\$ 62,543,022	\$ 38,915,957	\$ 58,220,340
District's proportion of the net pension liability	0.16630%	0.16437%	0.16949%
District's covered payroll	\$ 16,479,736	\$ 14,561,125	\$ 15,043,187
District's proportionate share of the net pension liability as a percentage of its covered payroll	379.51%	267.26%	387.02%
Plan fiduciary net position as a percentage of the total pension liability	60.77%	72.60%	59.72%

See notes to required supplementary information.



Year Ended June 30,					
2020	2019	2018	2017	2016	2015
\$ 56,621,506	\$ 51,832,456	\$ 44,723,662	\$ 43,673,036	\$ 43,964,215	\$ 39,949,396
0.17098%	0.17242%	0.17258%	0.17505%	0.18000%	0.18137%
\$ 14,861,530	\$ 14,710,639	\$ 14,445,589	\$ 14,584,395	\$ 14,964,758	\$ 15,349,309
380.99%	352.35%	309.60%	299.45%	293.79%	260.27%
60.31%	62.36%	64.21%	63.27%	63.17%	66.20%



## FRUITPORT COMMUNITY SCHOOLS

### Required Supplementary Information

MPSERS Cost-Sharing Multiple-Employer Plan  
Schedule of District Contributions - Pension

	Year Ended June 30,		
	2023	2022	2021
Statutorily required contribution	\$ 6,062,329	\$ 5,493,505	\$ 4,924,992
Contributions in relation to the statutorily required contribution	<u>(6,062,329)</u>	<u>(5,493,505)</u>	<u>(4,924,992)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 16,580,084	\$ 15,445,085	\$ 14,760,934
Contributions as a percentage of covered payroll	36.56%	35.57%	33.37%

See notes to required supplementary information.



Year Ended June 30,					
2020	2019	2018	2017	2016	2015
\$ 4,662,814	\$ 4,551,630	\$ 4,684,814	\$ 4,051,351	\$ 4,014,379	\$ 3,403,244
<u>(4,662,814)</u>	<u>(4,551,630)</u>	<u>(4,684,814)</u>	<u>(4,051,351)</u>	<u>(4,014,379)</u>	<u>(3,403,244)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 14,867,082	\$ 15,027,617	\$ 14,530,163	\$ 14,430,669	\$ 14,520,164	\$ 15,010,417
31.36%	30.29%	32.24%	28.07%	27.65%	22.67%

**FRUITPORT COMMUNITY SCHOOLS**

**Required Supplementary Information**

MPERS Cost-Sharing Multiple-Employer Plan

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

	Year Ended June 30,					
	2023	2022	2021	2020	2019	2018
District's proportionate share of the net OPEB liability	\$ 3,592,831	\$ 2,459,294	\$ 9,087,423	\$ 12,200,112	\$ 13,721,368	\$ 15,280,008
District's proportion of the net OPEB liability	0.16963%	0.16112%	0.16963%	0.16997%	0.17262%	0.17255%
District's covered payroll	\$ 16,479,736	\$ 14,561,125	\$ 15,043,187	\$ 14,861,530	\$ 14,710,639	\$ 14,445,589
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	21.80%	16.89%	60.41%	82.09%	93.28%	105.78%
Plan fiduciary net position as a percentage of the total OPEB liability	83.09%	87.33%	59.44%	48.46%	42.95%	36.39%

See notes to required supplementary information.

**FRUITPORT COMMUNITY SCHOOLS**

**Required Supplementary Information**

MPSERS Cost-Sharing Multiple-Employer Plan  
Schedule of District Contributions - OPEB

	Year Ended June 30,					
	2023	2022	2021	2020	2019	2018
Statutorily required contributions	\$ 1,299,204	\$ 1,228,613	\$ 1,189,427	\$ 1,201,198	\$ 1,167,353	\$ 1,084,484
Contributions in relation to the statutorily required contributions	<u>(1,299,204)</u>	<u>(1,228,613)</u>	<u>(1,189,427)</u>	<u>(1,201,198)</u>	<u>(1,167,353)</u>	<u>(1,084,484)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 16,580,084	\$ 15,445,085	\$ 14,760,934	\$ 14,867,082	\$ 15,027,617	\$ 14,530,163
Contributions as a percentage of covered payroll	7.84%	7.95%	8.06%	8.08%	7.77%	7.46%

See notes to required supplementary information.

## FRUITPORT COMMUNITY SCHOOLS

### Notes to Required Supplementary Information

#### Pension Information

GASB 68 was implemented in fiscal year 2015. The pension plan schedules are being built prospectively. Ultimately, 10 years of data will be presented.

The amounts presented in the schedule of the District's Proportionate Share of the Net Pension Liability were determined as of September 30 of the preceding year (the plan year).

The significant changes in assumptions for each of the fiscal years ended June 30 were as follows:

- 2023 - The payroll growth assumption for amortization purposes used in determining the fiscal year 2024 employer contributions decreased from 2.5% to 2.0%. Additionally, the discount rate used in the September 30, 2021 actuarial valuation decreased to 6.00% for the MIP and Basic plans, and 6.00% for the Pension Plus Plan.
- 2022 - The payroll growth assumption for amortization purposes used in determining the fiscal year 2023 employer contributions decreased from 3.0% to 2.5%.
- 2021 - The payroll growth assumption for amortization purposes used in determining the fiscal year 2022 employer contributions decreased from 3.5% to 3.0%.
- 2020 - The discount rate used in the September 30, 2018 actuarial valuation decreased to 6.80% for the MIP and Basic plans, 6.80% for the Pension Plus Plan, and 6.00% for the Pension Plus 2 Plan.
- 2019 - The discount rate used in the September 30, 2017 actuarial valuation decreased to 7.05% for the MIP and Basic plans, 7.00% for the Pension Plus plan, and 6.00% for the Pension Plus 2 plan.
- 2018 - The discount rate used in the September 30, 2016 actuarial valuation decreased to 7.50% for the MIP and Basic plans and 7.00% for the Pension Plus plan.

#### OPEB Information

GASB 75 was implemented in fiscal year 2018. The OPEB plan schedules are being built prospectively. Ultimately, 10 years of date will be presented.

The amounts presented in the schedule of the District's Proportionate Share of the Net OPEB Liability were determined as of September 30 of the preceding year (the plan year).

The significant changes in assumptions for each of the fiscal years ended June 30 were as follows:

- 2023 - The payroll growth assumption for amortization purposes used in determining the fiscal year 2024 employer contributions decreased from 2.5% to 2.0%. Additionally, the discount rate used in the September 30, 2021 actuarial valuation decreased to 6.00%.
- 2022 - The payroll growth assumption for amortization purposes used in determining the fiscal year 2023 employer contributions decreased from 3.0% to 2.5%. The healthcare cost trend rate used in the September 30, 2020 actuarial valuation increased to 7.75%.
- 2021 - The payroll growth assumption for amortization purposes used in determining the fiscal year 2022 employer contributions decreased from 3.5% to 3.0%. The healthcare cost trend rate used in the September 30, 2019 actuarial valuation decreased to 7.0%.
- 2020 - The discount rate used in the September 30, 2018 actuarial valuation decreased to 6.95%.
- 2019 - The discount rate used in the September 30, 2017 actuarial valuation decreased to 7.15%.

## **COMBINING FUND FINANCIAL STATEMENTS**

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## **NONMAJOR GOVERNMENTAL FUNDS**



## FRUITPORT COMMUNITY SCHOOLS

### Combining Balance Sheet

Nonmajor Governmental Funds  
June 30, 2023

	Special Revenue			
	Food Service	Child Care	Tech Millage	Student/ School Activity
<b>Assets</b>				
Cash and investments	\$ 551,903	\$ 874,604	\$ 507,465	\$ 668,253
Receivables:				
Due from other governments	49,885	-	591	-
Due from other funds	-	-	-	-
Inventory	35,580	-	-	-
Prepaid and other assets	125,595	-	-	-
<b>Total assets</b>	<u>\$ 762,963</u>	<u>\$ 874,604</u>	<u>\$ 508,056</u>	<u>\$ 668,253</u>
<b>Liabilities</b>				
Accounts payable	\$ 3,568	\$ 28,820	\$ 18,047	\$ -
Accrued liabilities	5,074	3,569	3,372	-
Due to other governments	84	-	-	-
Due to other funds	-	-	-	81,688
Unearned revenue	32,727	11,165	-	-
<b>Total liabilities</b>	<u>41,453</u>	<u>43,554</u>	<u>21,419</u>	<u>81,688</u>
<b>Fund balances</b>				
Nonspendable	161,175	-	-	-
Restricted	560,335	-	486,637	-
Committed	-	831,050	-	586,565
<b>Total fund balances</b>	<u>721,510</u>	<u>831,050</u>	<u>486,637</u>	<u>586,565</u>
<b>Total liabilities and fund balances</b>	<u>\$ 762,963</u>	<u>\$ 874,604</u>	<u>\$ 508,056</u>	<u>\$ 668,253</u>

Debt Service				Capital Projects		Total
2010 Debt	2012 Debt	2017 Debt	2021 Debt	Building and Site	2017 Capital Projects Fund	
\$ 142,624	\$ -	\$ 639,207	\$ 117,048	\$ 1,472,282	\$ -	\$ 4,973,386
-	-	-	-	-	-	50,476
-	-	-	-	375,000	-	375,000
-	-	-	-	-	-	35,580
-	-	-	-	-	-	125,595
<u>\$ 142,624</u>	<u>\$ -</u>	<u>\$ 639,207</u>	<u>\$ 117,048</u>	<u>\$ 1,847,282</u>	<u>\$ -</u>	<u>\$ 5,560,037</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,435
-	-	-	-	-	-	12,015
-	-	-	-	-	-	84
-	-	-	-	113,472	-	195,160
-	-	-	-	-	-	43,892
-	-	-	-	113,472	-	301,586
-	-	-	-	-	-	161,175
142,624	-	639,207	117,048	-	-	1,945,851
-	-	-	-	1,733,810	-	3,151,425
<u>142,624</u>	<u>-</u>	<u>639,207</u>	<u>117,048</u>	<u>1,733,810</u>	<u>-</u>	<u>5,258,451</u>
<u>\$ 142,624</u>	<u>\$ -</u>	<u>\$ 639,207</u>	<u>\$ 117,048</u>	<u>\$ 1,847,282</u>	<u>\$ -</u>	<u>\$ 5,560,037</u>

## FRUITPORT COMMUNITY SCHOOLS

### Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds For the Year Ended June 30, 2023

	Special Revenue			
	Food Service	Child Care	Tech Millage	Student/ School Activity
<b>Revenues</b>				
Local sources:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Fees and charges	337,935	860,066	5,272	-
Interdistrict	-	-	601,855	-
Student/school activity grants and fees	-	-	-	852,994
Investment income	-	-	-	-
<b>Total local sources</b>	<b>337,935</b>	<b>860,066</b>	<b>607,127</b>	<b>852,994</b>
State sources	68,080	-	-	-
Federal sources	1,283,600	245,878	159,688	-
<b>Total revenues</b>	<b>1,689,615</b>	<b>1,105,944</b>	<b>766,815</b>	<b>852,994</b>
<b>Expenditures</b>				
Current:				
Supporting services	-	-	499,968	-
Community services	-	1,043,918	-	-
Food services	1,859,970	-	-	-
Student/school activity	-	-	-	733,159
Debt service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<b>1,859,970</b>	<b>1,043,918</b>	<b>499,968</b>	<b>733,159</b>
Revenues over (under) expenditures	(170,355)	62,026	266,847	119,835
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	(65,000)	(25,000)	-	-
<b>Total other financing sources (uses)</b>	<b>(65,000)</b>	<b>(25,000)</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(235,355)</b>	<b>37,026</b>	<b>266,847</b>	<b>119,835</b>
Fund balances, beginning of year	956,865	794,024	219,790	466,730
<b>Fund balances, end of year</b>	<b>\$ 721,510</b>	<b>\$ 831,050</b>	<b>\$ 486,637</b>	<b>\$ 586,565</b>

Debt Service				Capital Projects		Total
2010 Debt	2012 Debt	2017 Debt	2021 Debt	Building and Site	2017 Capital Projects Fund	
\$ 891,140	\$ -	\$ 3,415,114	\$ 816,956	\$ -	\$ -	\$ 5,123,210
-	-	-	-	-	-	1,203,273
-	-	-	-	-	-	601,855
-	-	-	-	-	-	852,994
7,630	-	27,586	6,705	41,994	36,483	120,398
898,770	-	3,442,700	823,661	41,994	36,483	7,901,730
1,580	-	6,056	1,448	-	-	77,164
259,797	-	-	-	-	-	1,948,963
<u>1,160,147</u>	<u>-</u>	<u>3,448,756</u>	<u>825,109</u>	<u>41,994</u>	<u>36,483</u>	<u>9,927,857</u>
-	-	-	-	-	-	499,968
-	-	-	-	-	-	1,043,918
-	-	-	-	-	-	1,859,970
-	-	-	-	-	-	733,159
1,000,000	-	1,080,000	615,000	-	-	2,695,000
310,001	-	2,243,000	237,351	-	-	2,790,352
-	-	-	-	304,509	1,713,366	2,017,875
<u>1,310,001</u>	<u>-</u>	<u>3,323,000</u>	<u>852,351</u>	<u>304,509</u>	<u>1,713,366</u>	<u>11,640,242</u>
<u>(149,854)</u>	<u>-</u>	<u>125,756</u>	<u>(27,242)</u>	<u>(262,515)</u>	<u>(1,676,883)</u>	<u>(1,712,385)</u>
120,946	-	-	-	462,000	-	582,946
-	(120,946)	-	-	-	-	(210,946)
<u>120,946</u>	<u>(120,946)</u>	<u>-</u>	<u>-</u>	<u>462,000</u>	<u>-</u>	<u>372,000</u>
(28,908)	(120,946)	125,756	(27,242)	199,485	(1,676,883)	(1,340,385)
<u>171,532</u>	<u>120,946</u>	<u>513,451</u>	<u>144,290</u>	<u>1,534,325</u>	<u>1,676,883</u>	<u>6,598,836</u>
<u>\$ 142,624</u>	<u>\$ -</u>	<u>\$ 639,207</u>	<u>\$ 117,048</u>	<u>\$ 1,733,810</u>	<u>\$ -</u>	<u>\$ 5,258,451</u>

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**SCHEDULE OF BONDS ISSUED AND OUTSTANDING  
(UNAUDITED)**

**FRUITPORT COMMUNITY SCHOOLS**

**Schedule of Bonds Issued and Outstanding (Unaudited)**

2010 General Obligation Bonds

June 30, 2023

Issue dated June 3, 2010 in the amount of \$ 8,125,000

**Less:**

Bonds paid in prior years 3,125,000

Bonds due and paid May 1, 2023 1,000,000

**Balance outstanding - June 30, 2023** \$ 4,000,000

Due	Interest Rate (%)	Principal Due	Interest Due	Total
5/1/2024	6.00	\$ 1,000,000	\$ 249,000	\$ 1,249,000
5/1/2025	6.30	1,000,000	189,000	1,189,000
5/1/2026	6.30	1,000,000	126,000	1,126,000
5/1/2027	6.30	<u>1,000,000</u>	<u>63,000</u>	<u>1,063,000</u>
		<u>\$ 4,000,000</u>	<u>\$ 627,000</u>	<u>\$ 4,627,000</u>

continued...

## FRUITPORT COMMUNITY SCHOOLS

### Schedule of Bonds Issued and Outstanding (Unaudited)

2017 General Obligation Building and Site Bonds

June 30, 2023

Issue dated January 18, 2017 in the amount of \$ 17,885,000

**Less:**

Bonds paid in prior years 1,615,000

Bonds due and paid May 1, 2023 215,000

**Balance outstanding - June 30, 2023** \$ 16,055,000

Due	Interest Rate (%)	Principal Due	Interest Due	Total
5/1/2024	4.00	\$ 230,000	\$ 792,200	\$ 1,022,200
5/1/2025	4.00	250,000	783,000	1,033,000
5/1/2026	4.00	275,000	773,000	1,048,000
5/1/2027	4.00	300,000	762,000	1,062,000
5/1/2028	5.00	650,000	750,000	1,400,000
5/1/2029	5.00	750,000	717,500	1,467,500
5/1/2030	5.00	800,000	680,000	1,480,000
5/1/2031	5.00	800,000	640,000	1,440,000
5/1/2032	5.00	800,000	600,000	1,400,000
5/1/2033	5.00	800,000	560,000	1,360,000
5/1/2034	5.00	800,000	520,000	1,320,000
5/1/2035	5.00	800,000	480,000	1,280,000
5/1/2036	5.00	800,000	440,000	1,240,000
5/1/2037	5.00	800,000	400,000	1,200,000
5/1/2038	5.00	800,000	360,000	1,160,000
5/1/2039	5.00	800,000	320,000	1,120,000
5/1/2040	5.00	800,000	280,000	1,080,000
5/1/2041	5.00	800,000	240,000	1,040,000
5/1/2042	5.00	800,000	200,000	1,000,000
5/1/2043	5.00	800,000	160,000	960,000
5/1/2044	5.00	800,000	120,000	920,000
5/1/2045	5.00	800,000	80,000	880,000
5/1/2046	5.00	800,000	40,000	840,000
		<u>\$ 16,055,000</u>	<u>\$ 10,697,700</u>	<u>\$ 26,752,700</u>

continued...



**FRUITPORT COMMUNITY SCHOOLS**

**Schedule of Bonds Issued and Outstanding (Unaudited)**

2017 General Obligation Refunding Bonds

June 30, 2023

Issue dated January 18, 2017 in the amount of \$ 3,005,000

**Less:**

Bonds paid in prior years 785,000

Bonds due and paid May 1, 2023 380,000

**Balance outstanding - June 30, 2023** \$ 1,840,000

Due	Interest Rate (%)	Principal Due	Interest Due	Total
5/1/2024	4.00	\$ 375,000	\$ 77,200	\$ 452,200
5/1/2025	4.00	370,000	62,200	432,200
5/1/2026	4.00	370,000	47,400	417,400
5/1/2027	4.00	365,000	32,600	397,600
5/1/2028	5.00	<u>360,000</u>	<u>18,000</u>	<u>378,000</u>
		<u>\$ 1,840,000</u>	<u>\$ 237,400</u>	<u>\$ 2,077,400</u>

continued...

## FRUITPORT COMMUNITY SCHOOLS

### Schedule of Bonds Issued and Outstanding (Unaudited)

2018 General Obligation Building and Site Bonds

June 30, 2023

Issue dated April 10, 2018 in the amount of \$ 27,945,000

**Less:**

Bonds paid in prior years 610,000

Bonds due and paid May 1, 2023 485,000

**Balance outstanding - June 30, 2023** \$ 26,850,000

Due	Interest Rate (%)	Principal Due	Interest Due	Total
5/1/2024	4.00	\$ 595,000	\$ 1,329,400	\$ 1,924,400
5/1/2025	4.00	715,000	1,305,600	2,020,600
5/1/2026	5.00	820,000	1,277,000	2,097,000
5/1/2027	5.00	945,000	1,236,000	2,181,000
5/1/2028	5.00	950,000	1,188,750	2,138,750
5/1/2029	5.00	1,265,000	1,141,250	2,406,250
5/1/2030	5.00	1,265,000	1,078,000	2,343,000
5/1/2031	5.00	1,265,000	1,014,750	2,279,750
5/1/2032	5.00	1,265,000	951,500	2,216,500
5/1/2033	5.00	1,265,000	888,250	2,153,250
5/1/2034	5.00	1,265,000	825,000	2,090,000
5/1/2035	5.00	1,265,000	761,750	2,026,750
5/1/2036	5.00	1,270,000	698,500	1,968,500
5/1/2037	5.00	1,270,000	635,000	1,905,000
5/1/2038	5.00	1,270,000	571,500	1,841,500
5/1/2039	5.00	1,270,000	508,000	1,778,000
5/1/2040	5.00	1,270,000	444,500	1,714,500
5/1/2041	5.00	1,270,000	381,000	1,651,000
5/1/2042	5.00	1,270,000	317,500	1,587,500
5/1/2043	5.00	1,270,000	254,000	1,524,000
5/1/2044	5.00	1,270,000	190,500	1,460,500
5/1/2045	5.00	1,270,000	127,000	1,397,000
5/1/2046	5.00	1,270,000	63,500	1,333,500
		<u>\$ 26,850,000</u>	<u>\$ 17,188,250</u>	<u>\$ 44,038,250</u>

continued...

**FRUITPORT COMMUNITY SCHOOLS**

**Schedule of Bonds Issued and Outstanding (Unaudited)**

2021 General Obligation Building and Site Bonds

June 30, 2023

Issue dated June 30, 2021 in the amount of \$ 7,005,000

**Less:**

Bonds paid in prior years 700,000

Bonds due and paid May 1, 2023 615,000

**Balance outstanding - June 30, 2023** \$ 5,690,000

Due	Interest Rate (%)	Principal Due	Interest Due	Total
5/1/2024	4.00	\$ 590,000	\$ 211,750	\$ 801,750
5/1/2025	4.00	590,000	188,150	778,150
5/1/2026	4.00	585,000	164,550	749,550
5/1/2027	4.00	625,000	141,150	766,150
5/1/2028	4.00	100,000	116,150	216,150
5/1/2029	4.00	160,000	112,150	272,150
5/1/2030	4.00	215,000	105,750	320,750
5/1/2031	4.00	330,000	97,150	427,150
5/1/2032	4.00	415,000	83,950	498,950
5/1/2033	4.00	495,000	67,350	562,350
5/1/2034	3.00	510,000	47,550	557,550
5/1/2035	3.00	525,000	32,250	557,250
5/1/2036	3.00	550,000	16,500	566,500
		<u>\$ 5,690,000</u>	<u>\$ 1,384,400</u>	<u>\$ 7,074,400</u>

concluded

Fruitport  
Community Schools



Year Ended  
June 30, 2023

Single Audit Act  
Compliance

**Rehmann**

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# FRUITPORT COMMUNITY SCHOOLS

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**INDEPENDENT AUDITORS' REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY THE UNIFORM GUIDANCE**

Month //, 2023

Board of Education  
Fruitport Community Schools  
Fruitport, Michigan

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of ***Fruitport Community Schools*** (the "District") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated **Month //, 2023**, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



**FRUITPORT COMMUNITY SCHOOLS**

**Schedule of Expenditures of Federal Awards**

For the Year Ended June 30, 2023

Federal Agency / Cluster / Program Title	Assistance Listing Number	Passed Through	Pass-through / Grantor Number	Approved Grant Award Amount
<b>U.S. Department of Agriculture</b>				
Child Nutrition Cluster:				
School Breakfast Program:				
Seamless Summer Option - Breakfast	10.553	MDE	221971-2122	\$ 317,765
National School Breakfast Program	10.553	MDE	221970-2223	27,337
National School Breakfast Program	10.553	MDE	231970-2223	230,238
National School Lunch Program:				
Seamless Summer Option - Lunch	10.555	MDE	221961-2122	1,059,258
National School Lunch Program	10.555	MDE	221960-2223	88,436
National School Lunch Program	10.555	MDE	231960-2223	691,173
Supply Chain Assistance	10.555	MDE	220910-2223	53,132
Supply Chain Assistance	10.555	MDE	230910-2223	33,558
Entitlement Commodities (non-cash)	10.555	MDE	N/A	89,279
Bonus commodities (non-cash)	10.555	MDE	N/A	7,284
Summer Food Service Program for Children:				
Summer Food Service Program for Children	10.559	MDE	220900-2122	10,423
Summer Food Service Program for Children	10.559	MDE	220900-2223	9,618
Summer Food Service Program for Children	10.559	MDE	230900-2223	5,425
Total Child Nutrition Cluster				
Child and Adult Care Food Program (CACFP):				
CACFP	10.558	MDE	221920-2122	24,177
CACFP	10.558	MDE	221920-2223	3,889
CACFP	10.558	MDE	231290-2223	42,022
CACFP - Cash in Lieu	10.558	MDE	222010-2122	1,109
CACFP - Cash in Lieu	10.558	MDE	222010-2223	187
CACFP - Cash in Lieu	10.558	MDE	232010-2223	2,022
COVID-19 State Pandemic Electronic Benefit Transfer	10.649	MDE	220980-2223	3,135
<b>Total U.S. Department of Agriculture</b>				
<b>Federal Communications Commission</b>				
Emergency Connectivity Fund Program	32.009	Direct	2023	164,262
<b>U.S. Department of Education</b>				
Adult Basic Education	84.002A	MDE	231130-2223	54,452
Title I, Part A	84.010	MDE	221530-2122	447,418
Title I, Part A	84.010	MDE	231530-2223	424,895

Accrued (Unearned) Revenue July 1, 2022	Current Year Cash Received	Expenditures (Memo Only) Prior Year(s)	Expenditures Year Ended June 30, 2023	Accrued (Unearned) Revenue June 30, 2023
\$ 17,459	\$ 17,459	\$ 317,765	\$ -	\$ -
-	27,337	-	27,337	-
	220,276	-	230,238	9,962
<u>17,459</u>	<u>265,072</u>	<u>317,765</u>	<u>257,575</u>	<u>9,962</u>
41,633	41,633	1,059,258	-	-
-	88,436	-	88,436	-
-	669,612	-	691,173	21,561
-	53,132	-	53,132	-
-	33,558	-	33,558	-
-	89,279	-	89,279	-
-	7,284	-	7,284	-
<u>41,633</u>	<u>982,934</u>	<u>1,059,258</u>	<u>962,862</u>	<u>21,561</u>
10,423	10,423	10,423	-	-
-	9,618	-	9,618	-
-	-	-	5,425	5,425
<u>10,423</u>	<u>20,041</u>	<u>10,423</u>	<u>15,043</u>	<u>5,425</u>
69,515	1,268,047	1,387,446	1,235,480	36,948
1,770	1,770	24,177	-	-
-	3,889	-	3,889	-
-	40,171	-	42,022	1,851
67	67	1,109	-	-
-	187	-	187	-
-	1,933	-	2,022	89
<u>1,837</u>	<u>48,017</u>	<u>25,286</u>	<u>48,120</u>	<u>1,940</u>
-	3,135	-	3,135	-
<u>71,352</u>	<u>1,319,199</u>	<u>1,412,732</u>	<u>1,286,735</u>	<u>38,888</u>
164,262	164,262	164,262	-	-
-	29,451	-	54,452	25,001
78,655	78,655	381,203	-	-
-	241,570	-	385,042	143,472
<u>78,655</u>	<u>320,225</u>	<u>381,203</u>	<u>385,042</u>	<u>143,472</u>

continued...

**FRUITPORT COMMUNITY SCHOOLS**

**Schedule of Expenditures of Federal Awards**

For the Year Ended June 30, 2023

Federal Agency / Cluster / Program Title	Assistance Listing Number	Passed Through	Pass-through / Grantor Number	Approved Grant Award Amount
<b>U.S. Department of Education (Concluded)</b>				
Special Education Cluster:				
Special Education Flowthrough	84.027A	MAISD	210450-2122	\$ 290,764
Special Education Flowthrough	84.027A	MAISD	220450-2122	1,435,531
Special Education Flowthrough	84.027A	MAISD	230450-2223	1,370,214
ARP Flowthrough	84.027A	MAISD	221280-2223	66,272
Special Education - Preschool	84.173A	MAISD	200460-2122	89,046
Special Education - Preschool	84.173A	MAISD	220460-2223	94,787
ARP Preschool	84.173A	MAISD	221285-2223	11,750
Total Special Education Cluster				
Title III	84.365A	KISD	2022-23	600
Title II, Part A	84.367	MDE	220520-2122	151,970
Title II, Part A	84.367	MDE	230520-2223	141,010
Title IV	84.424	MDE	220750-2122	62,543
Title IV	84.424	MDE	230750-2223	36,600
Education Stabilization Fund:				
Elementary and Secondary School Emergency Relief (ESSER) Fund:				
COVID-19 ESSER II - Credit Recovery	84.425D	MDE	213742-2122	30,250
COVID-19 ESSER II - Extended Day	84.425D	MDE	213752-2122	25,000
COVID-19 ESSER II - Formula Funds	84.425D	MDE	213712-2021	1,306,645
COVID-19 ESSER II - Benchmark Assessments	84.425D	MDE	213762-2022	22,213
COVID-19 ESSER - Fund 98c	84.425D	MDE	213782-2223	135,587
COVID-19 ESSER III - Formula Funds	84.425U	MDE	213713-2122	2,879,213
COVID-19 - ARP Homeless II	84.425W	MDE	211012-2223	11,058

**Total U.S. Department of Education**

**Total Federal Financial Assistance**

See notes to schedule of expenditures of federal awards.

Accrued (Unearned) Revenue July 1, 2022	Current Year Cash Received	Expenditures (Memo Only) Prior Year(s)	Expenditures Year Ended June 30, 2023	Accrued (Unearned) Revenue June 30, 2023
\$ 290,764	\$ 290,764	\$ 290,764	\$ -	\$ -
208,615	208,615	1,435,521	-	-
-	887,756	-	1,370,214	482,458
-	-	-	66,272	66,272
<u>499,379</u>	<u>1,387,135</u>	<u>1,726,285</u>	<u>1,436,486</u>	<u>548,730</u>
89,046	89,046	89,046	-	-
-	-	-	94,787	94,787
-	-	-	11,750	11,750
<u>89,046</u>	<u>89,046</u>	<u>89,046</u>	<u>106,537</u>	<u>106,537</u>
588,425	1,476,181	1,815,331	1,543,023	655,267
-	600	-	600	-
28,982	28,982	78,248	-	-
-	18,957	-	46,866	27,909
<u>28,982</u>	<u>47,939</u>	<u>78,248</u>	<u>46,866</u>	<u>27,909</u>
32,499	32,499	52,251	-	-
-	22,148	-	26,979	4,831
<u>32,499</u>	<u>54,647</u>	<u>52,251</u>	<u>26,979</u>	<u>4,831</u>
2,938	2,938	30,250	-	-
25,000	25,000	25,000	-	-
168,754	580,380	738,452	568,193	156,567
22,213	22,213	22,213	-	-
-	-	-	135,587	135,587
329,834	663,027	329,834	594,676	261,483
-	-	-	11,058	11,058
<u>548,739</u>	<u>1,293,558</u>	<u>1,145,749</u>	<u>1,309,514</u>	<u>564,695</u>
1,277,300	3,222,601	3,472,782	3,366,476	1,421,175
<u>\$ 1,512,914</u>	<u>\$ 4,706,062</u>	<u>\$ 5,049,776</u>	<u>\$ 4,653,211</u>	<u>\$ 1,460,063</u>

concluded

# FRUITPORT COMMUNITY SCHOOLS

## Notes to Schedule of Expenditures of Federal Awards

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of **Fruitport Community Schools** (the "District") under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position or changes in net position of the District.

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting, which is described in Note 1 to the District's financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance or other applicable guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Cash received is recorded on the cash basis; expenditures are recorded on the modified accrual basis of accounting. Revenues are recognized when the qualifying expenditures have been incurred and all grant requirements have been met.

The Schedule has been arranged to provide information on both actual cash received and the revenue recognized. Accordingly, the effects of accruals of accounts receivable, unearned revenue and accounts payable items at both the beginning and end of the fiscal year have been reported.

Expenditures are in agreement with amounts reported in the financial statements and the financial reports. The amounts reported on the Grant Auditor Report reconcile with this Schedule.

### 2. 10% DE MINIMIS COST RATE

For purposes of charging indirect costs to federal awards, the District has not elected to use the 10 percent de minimis cost rate as permitted by §200.414 of the Uniform Guidance.

### 3. RECONCILIATION TO THE BASIC FINANCIAL STATEMENTS

A reconciliation of revenues from federal sources per governmental funds financial statements and expenditures per single audit act compliance Schedule of Expenditures of Federal Awards is as follows:

Federal revenue as reported in the financial statements:	
General fund	\$ 3,369,611
Other governmental funds (includes food service fund)	1,948,963
Less: qualified school construction bond interest credit	(259,797)
Less: Federal awards considered payments to beneficiaries -	
Child Care Sustainability Grant	(245,878)
Less: E-rate federal awards not subject to single audit	<u>(159,688)</u>
<b>Expenditures per schedule of expenditures of federal awards</b>	<b><u>\$ 4,653,211</u></b>

## FRUITPORT COMMUNITY SCHOOLS

### Notes to Schedule of Expenditures of Federal Awards

#### 4. PASS-THROUGH AGENCIES

The District receives certain federal grants as subawards from non-federal entities. Pass-through entities, where applicable, have been identified in the Schedule with an abbreviation, defined as follows:

<b>Pass-through Agency Abbreviation</b>	<b>Pass-through Agency Name</b>
MDE	Michigan Department of Education
MAISD	Muskegon Area Intermediate School District
KISD	Kent County Intermediate School District



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**INDEPENDENT AUDITORS' 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***

Month //, 2023

Board of Education  
Fruitport Community Schools  
Fruitport, Michigan

We have audited, in accordance with the 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 **Fruitport Community Schools** (the "District"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated **Month //, 2023**.

**Report on Internal Control Over Financial Reporting**

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the 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.



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

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

### **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 District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR THE MAJOR FEDERAL PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Month //, 2023

Board of Education  
Fruitport Community Schools  
Fruitport, Michigan

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

***Opinion on the Major Federal Program***

We have audited the compliance of ***Fruitport Community Schools*** (the "District") with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the District's major federal program for the year ended June 30, 2023. The District's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2023.

***Basis for Opinion on Each Major Federal Program***

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

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

### ***Responsibilities of Management for Compliance***

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

### ***Independent Auditors' Responsibilities for the Audit of Compliance***

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

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

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

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

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

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 Independent Auditors' 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.

### ***Purpose of this Report***

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.

## FRUITPORT COMMUNITY SCHOOLS

### Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2023

#### SECTION I - SUMMARY OF AUDITORS' RESULTS

##### Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 § 200.516?        yes   X   no

Identification of major programs and type of auditor's report issued on compliance for each major program:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>	<u>Type of Report</u>
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84.425	Education Stabilization Fund	Unmodified
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Dollar threshold used to distinguish between Type A and Type B programs:        \$   750,000  

Auditee qualified as low-risk auditee?   X   yes        no

## FRUITPORT COMMUNITY SCHOOLS

### Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2023

#### SECTION II – FINANCIAL STATEMENT FINDINGS

None reported.

## FRUITPORT COMMUNITY SCHOOLS

### Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2023

#### SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

## FRUITPORT COMMUNITY SCHOOLS

### Summary Schedule of Prior Audit Findings

For the Year Ended June 30, 2023

None reported.





FRUITPORT  
COMMUNITY  
SCHOOLS



For the 77 Month  
Period Ended  
June 30, 2023

2017 School  
Building and Site  
Bonds and 2018  
School Building and  
Site Bonds, Series II

**Rehmann**

## FRUITPORT COMMUNITY SCHOOLS

### 2017 School Building and Site Bonds and 2018 School Building and Site Bonds, Series II

For the 77 Month Period Ended June 30, 2023

#### Transmittal Certification

This is to certify that to the best of my knowledge and belief, the District has engaged an independent auditor to perform annual audits of the above bond funds in accordance with the "Bulletin for School District Audits of Bonded Construction Fund and of Sinking Funds in Michigan." The auditor has completed such audits and the data included on this transmittal is true and correct.

Signed,

---

Signature and Date

---

Name (Print)

---

Title

---

School District

## FRUITPORT COMMUNITY SCHOOLS

### 2017 School Building and Site Bonds and 2018 School Building and Site Bonds, Series II

For the 77 Month Period Ended June 30, 2023

Checklist for the minimum documents to be submitted with the Transmittal (from annual audits for all fiscal years involved in the construction period).

	Year Ended June 30,			
	2017 Page No.	2018 Page No.	2019 Page No.	2020 Page No.
Opinion on Financial Statements	3-5	3-5	3-5	3-5
Bond Compliance Footnote	50	53	54	55
2017 Capital Projects Fund Balance Sheet	22	22	22	22
2017 Capital Projects Fund Revenue and Expenditure Statements	24	24	24	24
Compliance Letter (for General Purpose Financial Statements)**	9-10	9-10	9-10	9-10
Schedule of Findings and Questioned Costs - Section II**	13	13	13	13

	Year Ended June 30,		
	2021 Page No.	2022 Page No.	2023 Page No.
Opinion on Financial Statements	3-5	3-6	3-6
Bond Compliance Footnote	58	57	58
2017 Capital Projects Fund Balance Sheet	22	71	73
2017 Capital Projects Fund Revenue and Expenditure Statements	24	73	75
Compliance Letter (for General Purpose Financial Statements)**	9-10	9-10	9-10
Schedule of Findings and Questioned Costs - Section II**	13	14	14

\*\*Page numbers from separately issued Single Audit Act Compliance report

**BOARD ACTION REQUEST FORM**

**Meeting Date:** October 16, 2023

To: Board of Education

Attachment #

From: Mark Mesbergen

**Subject to be Discussed and Policy Reference:**

Purchase two regular education buses

**Background Information:**

Over the past year, the transportation department is seeing an increase in ridership on our regular education buses. Additionally, the department wants to continue to make sure that our fleet is in the best position in terms of new and old buses. The district approved the purchase of two special education buses during the spring and we are expected to get them in December so the lead time for new buses is a long time. The MSBO bus purchase consortium is about to release their prices for buses but with the lead times that we experienced with the special education buses, we would like to ask for approval with a not to exceed amount of \$304,000 (\$152,000 per bus is what Kathy heard). The goal would be to have these two buses for next year and move two of our older buses to the sub fleet. Kathy and I are still looking at other options in terms of purchasing a couple that are coming off lease in June. I have included what the fleet would look like with the purchase of the two buses.

**Financial Impact:**

Not to exceed \$304,000 coming out of the 2021 Capital Projects Fund.

**Recommended Action:**

To approve the purchase two regular education buses through the MSBO consortium not to exceed \$304,000 coming out of the 2021 Capital Projects Fund.

**Action Taken:**

**Vote:** \_\_\_ Buckner      \_\_\_ Burgess      \_\_\_ Cole      \_\_\_ Franklin

\_\_\_ Hazekamp      \_\_\_ Kelly      \_\_\_ Meeuwenberg

**Regular Education Fleet**

Unit #	Make/Chassis	Model/Body #	Year	VIN #	Engine type	Plate #	Mark's Notes
05-4	international	I/C	2005	4DRBWAARX5A977511	466E	029X835	Current Sub
09-1	international	I/C	2009	4DRBWAAAR99A101003	MAXX DT	029X820	
13-1	International	I/C	2013	4DRBUAAN2DB309598	MAXX DT	029X815	Current Sub
13-2	International	I/C	2013	4DRBUAAN2DB309599	MAXX DT	029X817	Current Sub
13-3	International	I/C	2013	4DRBUAAN2DB309600	MAXX DT	029X818	Current Sub
13-4	International	I/C	2013	4DRBUAAN2DB309601	MAXX DT	029X819	Current Sub
15-2	International	I/C	2015	4DRBUAAN6FB029623	MAXX DT	029X825	New Bus would allow to move to Sub
15-3	International	I/C	2015	4DRBUAAN6FB029624	MAXX DT	029X823	New Bus would allow to move to Sub
17-1	International	I/C	2017	4DRBUC8NXHB373394	Cummins 6.7	029X821	
17-2	International	I/C	2017	4DRBUC8N5HB373433	Cummins 6.7	029X822	
17-3	International	I/C	2017	4DRBUC8NXHB449888	Cummins 6.7	029X824	
18-3	International	I/C	2018	4DRBUC8N7JB443827	Cummins 6.7	029X816	
18-4	International	I/C	2018	4DRBUC8N0JB141294	Cummins 6.7	029X809	
19-1	International	I/C	2019	4DRBUC8N5KB039071	Cummins 6.7	120X859	
19-2	International	I/C	2019	4DRBUC8N2KB003970	Cummins 6.7	120X860	
19-3	International	I/C	2019	4DRBUC8N7KB039069	Cummins 6.7	120X863	
21-1	International	I/C	2021	4DRBWTAR5MB851447	Cummins 9.0	029x831	
21-2	International	I/C	2021	4DRBUC8N8MB851449	Cummins 6.7	029X828	
21-3	International	I/C	2021	4DRBUC8N4MB851450	Cummins 6.7	029X837	
21-4	International	I/C	2021	4DRBUC8N6MB851451	Cummins 6.7	029X843	

**Special Education Fleet**

Unit #	Make/Chassis	Model/Body #	Year	VIN #	Engine type	Plate #	Mark's Notes
05-1	international	I/C	2005	4DRBUAAN25B977497	466E	029X826	Sell when 24-1 comes in Dec
05-3	international	I/C	2005	4DRBUAAN65B977499	466E	029X833	Sell when 24-1 comes in Dec
12-1	International	I/C	2012	4DRBUSKN2CB613971	MAXX 7	029X860	Keep sub - getting tight
18-1	International	I/C	2018	4DRBUC8N4JB552343	Cummins 6.7	029X871	Move to Sub
18-2	International	I/C	2018	4DRBUC8N6JB552344	Cummins 6.7	029X873	Move to Sub
20-1	International	I/C	2020	4DRBUC8N7LB067925	Cummins 6.7	029X829	
22-1	International	I/C	2022	4DRBUC8N9NB122006	Cummins 6.7	120X857	
22-2	International	I/C	2022	4DRBUC8N0NB122007	Cummins 6.7	120X858	
24-1	International	I/C		Coming in Dec			
24-2	International	I/C		Coming in Dec			



Personnel Committee  
Monday, October 9, 2023  
5:00 p.m.

## **MEETING MINUTES**

### **Meeting Location:**

Fruitport Community Schools Central Office  
3255 E. Pontaluna Rd.  
Fruitport, MI 49415

### **Attendance:**

The meeting was called to order at 5:00 p.m. Dave Hazekamp, Steve Kelly, JB Meeuwenberg, Mark Mesbergen, and Jason Kennedy were present.

- 1. October 2023 Personnel Report** - The Committee reviewed the Personnel Report for October 2023. This report included each of the recommendations for new hire, resignations, retirement notices, and positions that are still posted and vacant in the District.
- 2. Staff Member Discipline Update** - The Committee reviewed disciplinary action that was taken against a staff member, and the process that was followed to provide due process to the staff member prior to implementation of the disciplinary action.
- 3. Early Childhood Center Staff Recommendation** - The Committee discussed the implementation of a stepped wage scale for Early Childhood Center staff as a way to retain current staff, while assisting in the recruitment of future staff to the program.
- 4. Other** - The Committee reviewed items from the other Board Committee meetings to provide a general overview of the topics to be discussed at the Regular Board Meeting on Monday, October 16, 2023.
- 5. Public Comment:** None
- 6. Adjournment:** The meeting was adjourned at 5:28 p.m.

Respectfully submitted by Jason Kennedy, Superintendent

**BOARD ACTION REQUEST FORM**

**Meeting Date:** October 16, 2023

To: Board of Education

Attachment # XII-2

From: Mark Mesbergen

**Subject to be Discussed and Policy Reference:**  
Early Childhood Center Staff Recommendation

**Background Information:**

The development of a stepped wage scale for Early Childhood Center staff is important in the retention of current staff, and the recruitment of future staff to the program. The stepped wage scale will provide guaranteed hourly wage improvements each year to staff.

**Financial Impact:**

Implementation of a stepped wage schedule for employees will cost approximately \$81,952. The estimated annual revenue collected for Early Childhood Center programs is \$950,000. Estimated annual expenditures is approximately \$819,936, leaving an estimated annual net income of \$130,064.

**Recommended Action:**

To approve the recommendation to implement the provided stepped wage schedule for Early Childhood Center staff, as discussed.

**Action Taken:**

**Vote:** \_\_\_ Buckner                      \_\_\_ Burgess                      \_\_\_ Cole                      \_\_\_ Franklin  
         \_\_\_ Hazekamp                      \_\_\_ Kelly                      \_\_\_ Meeuwenberg



**Fruitport Community Schools**  
**Early Childhood Center**  
Pam Bergey, Director  
3113 Pontaluna, Fruitport, MI 49415  
Ph: 231-865-4056 • Fax: 231-865-4103  
pbergey@fruitportschools.net

To: Jason Kennedy, Mark Mesbergen & The Fruitport Board of Education

From: Pam Bergey, Director Fruitport Early Childhood Center

Re: Step incentives for Fruitport Early Childhood Center Staff

Date: September 18, 2023

I would like to recommend the included Steps Incentives for the ECC staff.

I feel the Step Incentive will help to retain the staff that we currently have, along with being able to hire quality staff in the future.

The increases will cost approximately \$81,952 annually. Our estimated yearly revenue is approximately \$950,000, with estimated yearly salary expenditures \$819,936, leaving us a net income, before other expenditures at \$130,064.

I appreciate you considering this approval for our staff. I feel that they are a valuable asset to Fruitport Community Schools and it would be great to treat them as such.

Please feel free to contact me with any questions you may have.

Respectfully,

Pam Bergey  
Director

Fruitport Early Childhood Center



ECC Employee Payroll Steps-Dated September 2023

**Lead Teacher/Caregiver**

New Hire with CDA/Associates/12 college semester hours in ECE	with minimal credentials
\$15.50	\$15
90 days with positive review	
\$16.50	\$16
1 year	
\$17.50	\$17.00
2 years	
\$18.50	\$18.00
5 years	
\$19.50	\$19.00
8 years	
\$21.00	\$20.50
10 years + additional .10 cents per year	

**Teacher's Assistant**

New Hire	
With some ECE college or 1 year center experience	with no ECE ed. Or ctr experience
\$12.50	\$12.00
90 days with positive review	
\$13.50	\$13.00
1 year	
\$14.50	\$14.00
2 years	
\$15.50	\$15.00
5 years	
\$16.50	\$16.00
8 years	
\$18.50	\$18.00
10 years + additional .20 cents per year	

<b>Staff Hourly Rate</b>				
<b>Rate of Pay:</b>	<b>New Rate of Pay:</b>	<b>Date of Hire:</b>	<b>No. of years</b>	<b>Weekly Increase:</b>
\$13.00	14	1/2022	1	\$30
\$18.25	21.7	1/2001	22	\$138
\$14.00	14	3/2022	1	0
\$16.00	17	9/2017 lead 9/2022	1	\$40
\$17.50	20.5	9/2015	8	\$120
\$13.00	14	10/2022	1	\$40
\$17.25	19.5	1/2016	7	\$27
\$12.00	12	8/2023	-1	0
\$14.50	\$16.50	3/2023	-1	\$15
\$14.50	\$16	9/2018	5	\$60
\$18.85	\$22.20	8/2001	22	\$134
\$13.00	13	2/2023	-1	0
\$14.00	14	3/2022	1	0
\$13.00	13	4/2023	-1	0
\$13.00	14	9/2022	1	\$25
\$12.00	12	8/2023	-1	0
\$14.10	15.5	11/2021	2	\$14
\$14.50	16	10/2017	5	\$60
\$14.00	15	10/2021	2	\$30
\$20.00	20	3/2022	1	0
\$13.00	13	3/2023	-1	0
\$17.50	\$21.10	1/2012	11	\$144
\$14.50	15	2/2019	4	\$15
\$13.00	13	3/2023	-1	0
\$13.00	14	1/2022	1	40
\$18.15	\$21.10	12/2007	11	\$138
\$18.00	21	3/2014	9	\$120
CWP/SAC \$18.75	18.75	8/2019	4	0
\$1,200.00				
\$81,952				