

Agenda of Regular Meeting

The Board of Education Waverly Community Schools

A Regular Meeting of the Board of Education of Waverly Community Schools will be held October 20, 2025, beginning at 6:00 PM in the Board Room, 515 Snow Road, Lansing, MI 48917.

The subjects to be discussed or considered or upon which any formal action may be taken are as listed below. Items do not have to be taken in the order shown on this meeting notice.

Unless removed from the consent agenda, items identified within the consent agenda will be acted on at one time.

- I. Call to Order and Pledge to the Flag - President Alicia Guevara

- II. Special Presentation
 - A. 2024-25 Audit Presentation - Plante Moran 4
 - B. Advanced Peace
 - C. National Principal's Month

- III. Correspondence

- IV. Public Comment for Specific Agenda Items Only
Per Board of Education Policy 167.3, each statement made by a participant will be limited to four (4) minutes duration. If an interpreter is used, participants will be limited to eight (8) minutes.

- V. Board Member Comment

- VI. Approval of Agenda and Acceptance of all Reports into Discussion

Recommendation: To request a motion to approve the October 20, 2025 agenda as presented and accept all reports into discussion.

VII.	Approval of Consent Agenda Items listed below may be approved with one motion unless a board member requests that an item or items be removed for a separate action. Regular Board Meeting Minutes - September 15, 2025 Closed Session Meeting Minutes - September 15, 2025 Superintendent's Report - September 15, 2025 Report #25-19, HR Board Personnel Report Report #25-20, Finance Report	82
VIII.	Committee Meetings <u>Odd Months</u> - September, November, January, March, May Finance & Facilities Teaching & Learning <u>Even Months</u> - October, December, February, April, June Advocacy & Outreach Special Education	104
IX.	Presentation of Reports	
A.	Finance & Facilities	106
1.	Report #25-21, Summer Tax Collection Resolution <u>Recommendation:</u> To adopt the Annual Summer Tax Resolution, invoking for 2026 its previously adopted, ongoing resolution imposing a summer tax levy of one-half (1/2) of school property taxes upon property located within the School District.	
2.	For Action - Report #25-22, PowerSchool Litigation Resolution <u>Recommended:</u> To approve the resolution to join the lawsuit against PowerSchool Holdings, Inc. and related defendants concerning the December 2024 PowerSchool data breach.	109
3.	Report #25-23, 2022 Building and Site, Series II Change Order <u>Recommendation:</u> To approve change orders for FD Hayes, Amcomm, People Driven Technology (PDT),	121

Crescent Digital and Lightspeed as presented.

- B. For Action - Report #25-24, High School Overnight Field Trip 146

Recommendation: To approve the HS November 2025 Overnight Field Trip to the Ebersole Center in Wayland, Michigan.

- C. For Action - Report #25-25, High School Out of State Field Trip 152

Recommendation: To approve the May 16, 2026 High School Senior out of state field trip to Cedar Point.

- X. Superintendent's Report

- XI. Public Comment - Open Comment for District Related Items
Per Board of Education Policy 167.3, each statement made by a participant will be limited to four (4) minutes duration. If an interpreter is used, participants will be limited to eight (8) minutes.

- XII. Other Board Business

- XIII. Adjournment

Waverly Community Schools

Report to the Board of Education

June 30, 2025

DRAFT

To the Board of Education
Waverly Community Schools

We have recently completed our audit of the basic financial statements of Waverly Community Schools (the "School District") as of and for the year ended June 30, 2025. In addition to our audit report, we are providing the following results of the audit and informational items that impact the School District:

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We are grateful for the opportunity to be of service to Waverly Community Schools. We would also like to extend our thanks to Evan Nuffer and the entire business office for their assistance and preparedness during the audit. We recognize that preparing for the audit is carried out in addition to your staff's normal daily activities. Should you have any questions regarding the comments in this report, please do not hesitate to call.

Insert Report Date

DRAFT

Results of the Audit

DRAFT

Insert Opinion Date

To the Board of Education
Waverly Community Schools

We have audited the financial statements of Waverly Community Schools (the "School District") as of and for the year ended June 30, 2025 and have issued our report thereon dated **Insert Opinion Date**. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility Under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated May 22, 2025, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities. Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement.

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

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

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

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our meeting about planning matters on July 18, 2025.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the School District are described in Note 2 to the financial statements.

As described in Note 2, the School District adopted GASB Statement No. 101, Compensated Absences, which updated the recognition and measurement for compensated absences under a unified model. Accordingly, the accounting change has been retrospectively applied to prior periods presented as if the policy had always been used.

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

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

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

The most sensitive estimates affecting the financial statements were the School District's share of the MPERS net liability for the pension and net (asset) for the other postemployment benefit (OPEB) plans recorded on the government-wide statements related to GASB Statement Nos. 68 and 75, respectively. The School District's estimates as of June 30, 2025 were \$53.6 million and \$(9.5) million for the pension and OPEB plans, respectively, based on data received from the Office of Retirement Services. We evaluated the key factors and assumptions used to develop the accounting estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

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

Difficulties Encountered in Performing the Audit

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

Disagreements with Management

For the purpose of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report.

We are pleased to report that no such disagreements arose during the course of our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.

We did not detect any misstatements as a result of audit procedures.

Significant Findings or Issues

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated **Insert Opinion Date**.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a second opinion on certain situations. If a consultation involves application of an accounting principle to the School District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts.

To our knowledge, there were no such consultations with other accountants.

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

Very truly yours,

Plante & Moran, PLLC

Michael D. Foster, CPA, CGMA
Partner

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Informational Items

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Managing the Changing Landscape

As fiscal year 2025/2026 kicked off, school districts were immediately faced with uncertainty, as the State did not deliver on its self-imposed deadline to complete the school aid budget by July 1. This left districts in the dark regarding expected funding levels and open to making their best guess as to what the per-pupil funding will be when adopting initial budgets for fiscal year 2025/2026. While the May 2025 Consensus Revenue Estimating Conference resulted in upward revisions to the short- and long-term revenue growth projections for both the General Fund and School Aid Fund, there was also a cautionary undertone related to the potential impacts of macroeconomic events, such as the impact of the evolving federal trade policies on the Michigan economy. The revenue projections were further cast into doubt once the federal One Big Beautiful Bill Act was signed on July 4, 2025. It is estimated that the act will significantly reduce the amount of revenue the State takes in due to the impact the bill will have on tax revenue. The bill also makes changes to Medicaid, which may negatively impact the State's budget.

There are also many changes occurring at the federal level. The U.S. Department of Education is undergoing major changes in 2025 following an executive order to dismantle it, with its responsibilities being reassigned to other federal agencies. In addition, billions of dollars in education funding were initially frozen by executive order, affecting several federal programs that school districts annually receive. This funding primarily related to several Title grant programs, and, as of the start of the 2025/2026 fiscal year, the Office of Management and Budget (OMB) has not released grant award notifications to the states related to these programs. Congress has not yet approved the fiscal year 2026 budget for the U.S. Department of Education; however, the president's budget proposal eliminates funding for programs such as Title 1-C, Title III, Title II, and Title IV-A. School districts that are accustomed to receiving revenue under these specific federal programs now have increased uncertainty as to their ability to fund programs that have already been put into place.

For many school districts, this is a level of uncertainty that has not been experienced since the start of the COVID-19 pandemic.

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



School Funding - School Aid in Depth

2024/2025 School Funding

As fiscal year 2024/2025 began, many school districts were entering their first year, since the start of the pandemic, with little or no COVID-19 grant dollars remaining. For many school districts, this resulted in the budgeted use of fund balance to balance the budget as school districts began to grapple with the reality of needing funding to support additional programming and staff resources that had been added during the ESSER funding era of the past several years. From a state budget perspective, at the May 2024 Consensus Revenue Estimating Conference, it was predicted that there would be sufficient resources for current programs but suggested that the revenue growth in the School Aid Fund would continue at a slower pace than the previous two years. As a practical matter, the conference conclusions suggest the funding growth will mirror more closely the prepandemic growth levels. As schools entered the 2024/2025 fiscal year, the School Aid Bill was completed and signed into law. The bill provided for some funding increases and resources to fund new initiatives agreed to by the governor and Legislature. It also reduced the allocation for some one-time categoricals. It increased resources provided for retirement, and it did not provide a foundation allowance increase. Instead, changes were made to how categoricals related to the MPSERS, with the intent of providing approximately \$400 per pupil for each district to spend on operations. Based on the mechanics of the School Aid Bill, not every district realized a full \$400 benefit. Some key highlights of the School Aid Bill include the following:

- **Foundation Allowance:** The target foundation allowance stayed at \$9,608 per pupil for public schools. Public school academies received a 3.9 percent increase in their target foundation, estimated at \$9,983. The increase was due to the fact that most academies do not participate in the MPSERS and are funded using a separate categorical. While there was no increase in the foundation allowance, net state funding per pupil increased; however, it was primarily through changes related to MPSERS categoricals, as subsequently explained.
- **Pupil Count:** Continued the traditional blended pupil count methodology, with 90 percent weighting for the October 2024 count and 10 percent weighting for the February 2024 count. For declining enrollment districts, a provision continues to use a two-year blended count to slow the impact of the decline on current year revenue. A district qualified if its 2024 final membership count was lower than the 2023 final membership count. In this case, a school district received additional state funding through Section 29.
- **MPSERS Cost for 2024/2025:** There were several key changes related to existing and new MPSERS cost support provided to school districts as follows:
 - **Section 147a(4) -** The MPSERS OPEB and pension funding has been the focus of School Aid Fund discussions for many budget cycles. For years, the OPEB and pension plans have been underfunded and have had a large net liability (referred to as the "UAAL"). However, the OPEB plan is now considered fully funded, meaning that the plan now has sufficient assets to cover accrued health benefits for current and former employees' past services. State funding has historically provided a contribution to districts to cover the OPEB UAAL costs, which was about \$669 million, statewide. The 2024/2025 School Aid Bill redirected about \$598 million of the savings back to school districts. This was funded through a categorical, 147a(4), and represented approximately 5.75 percent of the School District's 2024 MPSERS-related payroll. For fiscal year 2024/2025, the total amount of 147a(4) funding the School District received was \$1,322,068.94 which equates to approximately \$468.57 on a per pupil basis. This funding will not recur in fiscal year 2026, as the UAAL rate will be statutorily reduced in October 2025 to reflect that only the pension plan has a remaining UAAL.

- **Section 147c(2)** - For only the second time, similar to 2023, the budget appropriated \$250 million in additional, one-time payments to be made to the retirement system. Ultimately, there is no impact to fund balance of the School District. An allocation was made to the School District; however, the School District was then invoiced by the retirement system for the same amount that was received for this state aid categorical.
- **Section 147g** - This funding was new in 2024/2025 and was for reimbursing employees for their 3 percent employer contribution to the OPEB plan. School districts received this funding and were required to use it to reimburse employees; therefore, this funding did not provide additional resources to the School District for general operating purposes.
- **GSRP**: GSRP received an increase in funding and provided for more families to be eligible for free preschool. Now, families who are less than four times the federal poverty level will be eligible for free service.
- **At-Risk**: At-risk funding is now over \$1 billion. Revisions to the program include new flexibility provisions to reduce teacher-student ratio and support retention and recruitment efforts.
- Categoricals continuing without substantive change include, but are not limited to, the following: Transportation, Future Educator Fellowship, Student Teacher Stipend, and ISD Operations support.
- Many smaller categoricals were eliminated or had reduced funding. However, the most significant funding reduction was for mental health and school safety, Section 31aa, which was reduced from \$328 million to initially only \$26.5 million. Additionally, school districts had to opt in to receive this funding; it was not automatically distributed. During the year, a supplemental bill was enacted that increased funding by \$125 million. However, school districts had to be cautious in how this funding was utilized. Any payroll costs covered by this funding in 2024/2025 would need to be funded from general school district resources in future years.

2025/2026 School Funding

The start of the 2025-2026 school year brings some of the most uncertain times in recent history. The Michigan Legislature missed the statutory deadline of July 1 to pass a budget, and there is still no deal in place. This creates significant uncertainty about the funding picture for schools as the school year begins. The State's fiscal year starts on October 1, and it is becoming increasingly possible that a deal will not be reached, potentially leading to a partial government shutdown. Several significant factors are impacting the State's budget picture for the current fiscal year.

One of the more significant sticking points in getting the state budget done is the governor's priority to fulfill campaign promises related to road funding for Michigan. Several reports indicate that there will be no budget deal unless a road package sufficient to meet the State's infrastructure needs is also passed. Other factors include federal impacts, such as the federal government looking to significantly reduce or eliminate funding for several programs like Title 1-C, Title III, and Title IV-A. Additionally, a recent federal tax bill named the One Big Beautiful Bill (OBBB) will negatively impact state revenue. The House Fiscal Agency has reported that the OBBB may reduce state revenue by as much as \$677 million for fiscal year 2025/2026, making the State's budget process more complicated than originally anticipated.

Most school funding comes through the per pupil foundation allowance set as part of the state budgeting process. Not only is the amount per pupil that schools will receive for this fiscal year still unknown, but there are also proposed changes to categorical funding that could be removed or rolled into one section. This could disproportionately impact schools that historically receive a higher proportion of dollars from these funding categoricals. Also at risk is the state-funded school meal program. Under the budget for the last fiscal year, students who did not qualify for federal free or reduced meals are still eligible to receive a free school meal paid for through state funding. Without a budget to support this program for fiscal year 2025/2026, schools are currently instructed to continue providing free meals through the end of the State's fiscal year on September 30. However, if there is no state budget by that date, there is uncertainty about whether students will still be able to rely on this program, leaving many families in a tough position when it comes to budgeting their own financial resources.

As the Legislature grapples with how to address these financial constraints in the budget process, districts are left starting the school year with an unclear picture of the amount of funding per pupil and for specific programming. Districts need to assess staffing resources and other financial needs without having a clear picture of how much revenue will be received to fund these needs, leaving school districts in a difficult and uncertain situation.

Looking Forward to 2026 and Beyond

The May 2025 Consensus Revenue Estimating Conference provided a look into 2026 and 2027. Revenue estimates for the School Aid Fund were adjusted upward slightly from the previous January 2025 and May 2024 estimates. However, school districts must remain cautious when forecasting for future state funding, as it was recently seen in fiscal year 2024/2025 that additional School Aid Fund revenue does not always translate to an increase in the foundation allowance. Increases tied to categoricals often come with strings attached, and they are not guaranteed to support programs in the long term. As seen in fiscal year 2024/2025, a large focus has been continued paydown of the MPSERS retirement liabilities, with several new categoricals tied to payments related to the system. The OBBB and other federal initiatives that impact school funding were not factored into the last revenue estimating conference, leaving many to believe that the May 2025 estimates are no longer reliable.

School districts will also need to continue to monitor developments at the federal level, as efforts continue by the executive branch to dismantle the Department of Education. There is also continued scrutiny by the federal government regarding funding for certain programs that are provided by school districts, which has resulted in paused or delayed funding. This adds a level of uncertainty for school districts for which it is difficult to plan.

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

In turn, school districts will be required to adjust to changes in funding priorities and ultimately how resources will be used for local district operations. Some of those challenges include the following:

- The impact of a recession on school funding if it were to occur
- Continued uncertainty regarding the Department of Education and the impact on school districts if it is dismantled
- Federal trade policy and global, geopolitical conflicts
- Continued efforts at attracting and retaining students to the School District
- Pupil count trends and projections for school districts and school buildings to better plan staffing, infrastructure, and operational needs
- Assessing food service operations as entering the third year of the new state-funded free breakfast and lunch program
- Potential staffing cost increases, including fringe benefits such as health care
- Operating cost increases resulting from inflation
- Technology cost increases and access to technology learning tools
- Cost trends for the retirement system and the extent to which state support is used from the School Aid Fund

The next Consensus Revenue Estimating Conference will occur in January 2026. As districts move into the 2025/2026 school year, they will need to carefully plan for how best to use current resources as well as begin to plan for potential adjustments going forward.

Michigan School Meals

Since the launch of Michigan's state-funded free breakfast and lunch initiative in the 2023/2024 school year, the program has aimed to provide all students, regardless of income, with nutritious meals at no cost. Originating from amendments to the State Aid Act in 2023/2024, the initiative was designed to supplement the federal National School Lunch and National School Breakfast programs, delivering meals to students who would otherwise be ineligible for federally funded free meals. For the 2023/2024 and 2024/2025 school years, participating districts received state funding through Section 30d, which was allocated to the Food Service Fund. This support replaced previous revenue from student-paid meals, allowing districts to offer universal access to breakfast and lunch.

For 2024/2025, the School District received \$65,610.75 in state funding under Section 30d for this program. Some key observations include the following:

- Participation is not automatic. Districts apply using the Coordinated Application in the State's NexSys system.
- For a district to be eligible to participate, it must do the following:
 - Be a public school, charter school, or intermediate school district
 - Participate in the National School Lunch Program
 - Serve breakfast and lunch

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

With this approach to access to school meals, the potential for continued high participation rates is likely. Many districts saw increased demand on food service operations, including staffing levels, timing of meals, cafeteria seating, menu planning, and food orders through 2024/2025. Although there have been efforts to make the school meals program a permanent part of state law, its authorization and funding are still determined annually through the State's School Aid Fund budget. As of now, discussions for the fiscal year 2026 school aid budget are ongoing, and it remains uncertain whether support for this program will continue.

Prevailing Wage Requirements

When utilizing federal funding for projects that fall under the definition of construction in the Davis Bacon provisions, there are specific guidelines that may apply, such as the prevailing wage requirement. Prevailing wage requirements will apply when a school district utilizes federal funding for remodeling, renovation, repair, or construction contracts over \$2,000. The School District must ensure the contract terms include the requirement to comply with prevailing wages, as well as ensure that certified payrolls were completed and subsequently reviewed by the School District.

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

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

At September 30, 2024, the pension portion of the MPERS plan for the State of Michigan had a net pension liability of approximately \$24.5 billion. This is a decrease of approximately 24 percent from the reported amount of \$32.4 billion on September 30, 2023. One of the primary reasons for the decrease in the net liability was the net investment returns. The pension plan's annual investment rate of return was 15.5 percent for the year ended September 30, 2024, compared to 8.3 percent for the year ended September 30, 2023.

At September 30, 2024, the retiree health care portion (OPEB) of the MPSERS plan had a net OPEB asset of approximately \$4.3 billion compared to the net OPEB asset of \$566 million at September 30, 2023. This is an increase of approximately 660 percent. One of the reasons for the increase in the net asset was the net investment returns as well as favorable differences between expected and actual experience. The pension plan's annual investment rate of return was 15.5 percent for the year ended September 30, 2024, compared to 8.3 percent for the year ended September 30, 2023.

Fund Balance

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

During the 2024/2025 school year, the School District's General Fund revenue exceeded expenditures by approximately \$1,167,000. This resulted in increasing the General Fund fund balance to approximately \$10,000,000 at June 30, 2025. Fund balance goals are often stated in terms of a percentage of total expenditures. As a point of reference, the statewide average for school districts at June 30, 2024 was approximately 24.7 percent of operating expenditures (excluding transfers). Fund balance at the statewide average would approximately equal the School District's average operating costs for an 11-week period. The School District's fund balance percentage is 21.9 percent and equals approximately 11.4 weeks of operation.

Upcoming Accounting Pronouncements

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

GASB Statement No. 103 - Financial Reporting Model Improvements

The objective of this standard is to make improvements to the financial reporting model, including GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis - for State and Local Governments*, and other reporting model-related pronouncements. A key change to this standard from the exposure draft is the removal related to the recognition in and the presentation of governmental funds. The standard's scope includes management's discussion and analysis (MD&A); proprietary fund financial statement presentation, particularly the operating/nonoperating classification; budgetary comparisons; major component unit information; and the presentation of unusual or infrequent items. This statement requires that the MD&A be limited to the five topics noted in the standard and provides further guidance on how the MD&A should be written. For proprietary fund financial reporting, the statement defines operating and nonoperating revenue and expense. It also requires a new subtotal for operating income (loss) and noncapital subsidies. The statement prescribes that the budgetary comparison be reported only in the required supplementary information section of the statements and dictates what variance information to be included. Next, the statement requires that major component unit information be presented separately in the statements of net position and activities, with a caveat for readability. Lastly, the statement describes unusual and infrequent transactions and outlines how they should be presented separately. This new standard will be effective for the School District's June 30, 2026 year end.

GASB Statement No. 104 - Disclosure of Certain Capital Assets

This standard is designed to provide users of governmental financial statements with essential information about certain types of capital assets. Although authoritative guidance prior to this standard requires governments to disclose detailed information about capital assets in notes to the financial statements, previously, there was inconsistency in practice for disclosure and presentation for certain capital asset classes. This new standard clarifies and expands disclosure requirements to improve consistency and comparability between governments. GASB Statement No. 104 will require certain classes of capital assets, including lease assets, intangible right-of-use assets, and subscription-based IT assets, to be disclosed separately in the capital assets note. In addition, the standard will require additional disclosures for capital assets that are held for sale; the new standard will impact the presentation of almost every governmental financial statement for entities that have capital assets that are in the process of being sold at fiscal year end, assuming certain conditions are met. This new standard will be effective for the School District's June 30, 2026 year end.

Sinking Fund Legislation

The new legislation, which is effective August 6, 2023, amends previous sinking fund legislation to allow a school district to use its Sinking Fund to support certain transportation costs. Specifically, a sinking fund millage approved by voters after May 7, 2023 is now allowed to be used by school districts for the acquisition of student transportation vehicles and parts, supplies, and equipment used for the maintenance of student transportation vehicles. Funds may also be used for the acquisition of trucks and vans registered under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923, and used to carry parts, equipment, and personnel for or in the maintenance of school buildings or for the acquisition of parts, supplies, and equipment used to maintain those trucks and vans.

Sinking funds authorized (1) prior to March 29, 2017; (2) between March 29, 2017 and May 7, 2023; and (3) after May 7, 2023 should be accounted for separately in the audited financial statements. Each separate fund should have its own balance sheet and statement of revenue, expenditures, and changes in fund balance for the fiscal year. The previous sinking fund language regarding the use of funds for purchase of real estate, buildings, building improvements, and technology was not amended, as those are still allowable uses of sinking funds approved prior to this amendment. A school district that levies a Sinking Fund must have an independent audit of its Sinking Fund conducted annually, including a review of the uses of the Sinking Fund.

Bond Investment Earnings - Arbitrage Considerations

Arbitrage is not a new topic; however, in the current environment of raising interest rates, it is a topic that has recently received more attention. So, what is arbitrage? To summarize, arbitrage is the difference between the interest expense paid by the bond debt issuer (school district) and the earnings on the invested bond proceeds. School districts are tax-exempt organizations and, therefore, subject to federal arbitrage compliance rules. As a result, the School District may be limited to the amount of investment earnings that it is allowed to retain. The arbitrage calculations are quite complex, and, generally, the School District needs to work with its bond advisor to ensure this computation is completed on a recurring basis. Generally, at the five-year anniversary of the original bond sale, a computation is also completed and used to report to the federal government any investment earnings in excess of what is allowed to be retained and is generally due back to the federal government (Internal Revenue Service). The annual arbitrage calculations are also utilized to determine if the School District should report an arbitrage liability at June 30 in the full accrual set of financial statements. No amounts are recognized in the capital projects funds until the year of the final calculation. At June 30, the School District has unspent bond proceeds that are accruing investment earnings. The School District completed its analysis, and it was determined that there is an arbitrage liability in the amount of \$1,133,790, and the School District has reported this as a liability in the government-wide statement of net position at June 30, 2025.

Inflation Reduction Act (IRA)

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

OMB Revisions to the Uniform Guidance

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

Capitalization Thresholds Under Uniform Grants Guidance

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

Taking Advantage of Data Analytics within K-12 School Districts

The School District collects more data than ever before, but has it helped you take meaningful action? The complexity of drawing actionable insight from larger disparate data sources often stands in the way of making better data-driven decisions. The landscape of opportunity within advanced analytics can create order from the chaos and transform your data into actions that make a difference. Understanding the right approach is based on an assessment of the goals of the School District. Based on our experience, we suggest school districts begin considering a few initial questions:

1. How can we better understand the needs of our student population?

It has become increasingly important to develop a deeper understanding of individual student, school, and district-wide performance. Actionable insight into your student population to create data-driven strategies is achievable through advanced analytics.

2. Where might we be overspending?

When faced with tighter budgets in an evolving and fiercely competitive funding environment, schools are relying more heavily on their data than their instinct to detect leakages and eliminate inefficiencies in their operations. Leveraging advanced analytics can optimize your in-district delivery model and identify opportunities to reduce operational costs.

3. How can we develop a data-driven strategy?

A staggering volume of education data is underutilized by school districts. Asking meaningful questions about the alignment of your data vision, people, processes, technology, and data governance is the first step toward preparing a data-driven strategy.

Owner's Representation/Program Management for Capital Programs

Discussions during our review indicated that the School District is currently involved with a capital plan. Renovating existing space across your district can be complicated and time consuming. Many facility and finance departments will not have the capacity to handle all of the day-to-day demands required during construction projects of this size and scope.

Have you considered engaging an independent owner's representative/program management firm to help the School District oversee its capital program? Leveraging an experienced owner's representation/program management firm can help you make informed decisions, minimize risk, and avoid pitfalls to ensure you remain good stewards of public funds.

We would be happy to make an introduction to our affiliate, Plante Moran Realpoint, a leading owner's representative/program management firm for K-12 capital programs on over \$6 billion in capital projects, to help navigate the program from design concept through construction completion, as well as track the financial budgets and expenditures. Plante Moran Realpoint seamlessly integrates with your internal team, helping districts like yours understand and confidently manage key processes to keep projects on schedule, on budget, and constructed with the highest level of quality.

Waverly Community Schools

Financial Report with Supplementary Information June 30, 2025

Open Items

1. Report date

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This section of the annual financial report for Waverly Community Schools (the "School District") presents our discussion and analysis of the School District's financial performance during the year ended June 30, 2025. Please read it in conjunction with the School District's financial statements, which immediately follow this section.

Using This Annual Report

This annual report consists of a series of financial statements and notes to those financial statements. These statements are organized so the reader can understand Waverly Community Schools financially as a whole. The government-wide financial statements provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. The fund financial statements provide the next level of detail. For governmental activities, these statements tell how services were financed in the short term and what remains for future spending. The fund financial statements look at the School District's operations in more detail than the government-wide financial statements by providing information about the School District's most significant funds, the General Fund, the Debt Service Fund, the 2022 Building and Site Series I capital project fund, and the 2024 Building and Site Series II capital project fund, with all other funds presented in one column as nonmajor funds. The remaining statements, the statement of fiduciary net position and statement of changes in fiduciary net position, present financial information about activities for which the School District acts solely as an agent for donor-sponsored scholarships. This report is composed of the following elements:

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

Basic Financial Statements

Government-wide Financial Statements

Fund Financial Statements

Notes to Financial Statements

Required Supplementary Information

Budgetary Comparison Schedule - General Fund

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

Schedule of Pension Contributions

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

Schedule of OPEB Contributions

Other Supplementary Information

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

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

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

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

Reporting the School District's Fund Financial Statements

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

Governmental Funds

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

Fiduciary Funds

The School District has certain fiduciary responsibilities for its custodial funds. All of the School District's fiduciary activities are reported in the separate statement of fiduciary net position and statement of changes in fiduciary net position. We exclude these activities from the School District's other financial statements because the School District cannot use these assets to finance its operations. The School District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Waverly Community Schools

Management's Discussion and Analysis (Continued)

The School District as a Whole

Recall that the statement of net position provides the perspective of the School District as a whole. The following table provides a summary of the School District's net position (deficit) as of June 30, 2025 and 2024:

	Governmental Activities	
	2025	2024
	(in millions)	
Assets		
Current and other assets	\$ 95.5	\$ 112.3
Capital assets	117.5	85.1
Total assets	213.0	197.4
Deferred Outflows of Resources	19.5	25.5
Liabilities		
Current liabilities	17.3	15.1
Noncurrent liabilities	115.1	117.8
Net pension liability	53.6	69.4
Total liabilities	186.0	202.3
Deferred Inflows of Resources	30.2	21.5
Net Position		
Net investment in capital assets	57.0	47.3
Restricted	12.3	5.5
Unrestricted	(53.0)	(53.7)
Total net position	<u>\$ 16.3</u>	<u>\$ (0.9)</u>

The above analysis focuses on net position. The change in net position of the School District's governmental activities is discussed below. The School District's net position (deficit) was \$16.3 million at June 30, 2025. Net investment in capital assets totaling \$57.0 million compares the original cost, less depreciation of the School District's capital assets, to long-term debt used to finance the acquisition of those assets. Most of the debt will be repaid from voter-approved property taxes collected as the debt service comes due. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the School District's ability to use that net position for day-to-day operations. The remaining amount of net position, \$(53.0) million, was unrestricted.

The \$(53.0) million in unrestricted net position of governmental activities represents the accumulated results of all past years' operations, net of the pension and OPEB liabilities (assets).

Waverly Community Schools

Management's Discussion and Analysis (Continued)

The results of this year's operations for the School District as a whole are reported in the condensed statement of activities below, which shows the changes in net position for the years ended June 30, 2025 and 2024:

	Governmental Activities	
	2025	2024
	(in millions)	
Revenue		
Program revenue:		
Charges for services	\$ 0.7	\$ 0.7
Operating grants	23.5	23.2
Capital grants	1.2	1.9
General revenue:		
Taxes	17.6	16.8
State aid not restricted to specific purposes	19.6	18.6
Other	4.6	3.4
Total revenue	<u>67.2</u>	<u>64.6</u>
Expenses		
Instruction	24.6	27.4
Support services	16.9	18.4
Athletics	1.1	1.0
Food services	1.8	1.8
Community services	0.6	0.5
Interdistrict payments	0.1	-
Debt service	5.0	4.2
Total expenses	<u>50.1</u>	<u>53.3</u>
Change in Net Position	17.1	11.3
Net Position - Beginning of year	(0.9)	(12.2)
Adoption of GASB 101	0.1	-
Net Position - Beginning of year, as restated	<u>(0.8)</u>	<u>(12.2)</u>
Net Position - End of year	<u>\$ 16.3</u>	<u>\$ (0.9)</u>

As reported in the statement of activities, the cost of all of our governmental activities this year was \$50.1 million. Certain activities were partially funded from those who benefited from the programs (\$0.7 million) or by other governments and organizations that subsidized certain programs with grants and contributions (\$24.7 million). We paid for the remaining public benefit portion of our governmental activities with \$17.6 million in taxes, \$19.6 million in state foundation allowance, and other revenue (i.e., interest and general entitlements).

The School District experienced an increase in net position (deficit) of \$17.1 million. The key reason for this change was the decrease in net pension and OPEB liabilities (assets).

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

The School District's Funds

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

As the School District completed this year, the governmental funds reported a combined fund balance of \$69.6 million, which is a decrease of \$27.4 million from last year. The primary reason for the decrease is related to the continued spending of the 2022 Building and Site Series I and 2024 Building and Site Series II bond proceeds.

In the General Fund, our principal operating fund, the fund balance increased \$1.2 million to \$10.0 million. The School District continues to maintain a General Fund fund balance in excess of 10 percent of current operating expenditures as a strategic effort to absorb significant changes in state funding or a significant decline in enrollment and to minimize the cost of borrowing to meet current cash obligations.

The fund balance of the Debt Service fund decreased by \$729 thousand to \$1.1 million. The School District maintains a fund balance less than or equal to one-twelfth of annual debt service for the immediately preceding bond year to ensure the School District can maintain sufficient resources to continue the biannual principal and interest payments on the outstanding bond issue-related debt service. The biannual principal and interest payments in November and May allow the School District to reduce overall borrowing costs on the outstanding bond issues.

The fund balance of the 2022 Building and Site Series I Fund decreased by \$19.9 million to \$41 thousand, as the School District continued to spend proceeds from the 2022 Building and Site Series I bond issuance.

The fund balance of the 2024 Building and Site Series II Fund decreased by \$7.3 million to \$50.8 million, as the School District began spending proceeds from the 2024 Building and Site Series II bond issuance during the year.

Combined, the fund balance of our nonmajor capital project funds decreased by \$624 thousand to \$7.6 million. This decrease is primarily due to less funds transferred into the Board Designated Capital Projects Fund for school construction projects designated by the Board of Education. The School District collected \$1.2 million in voter-approved Sinking Fund millage. This millage is available to fund specific capital projects allowed by state law and approved by the voters.

General Fund Budgetary Highlights

Over the course of the year, the School District revises its budget as it attempts to deal with unexpected changes in revenue and expenditures. State law requires that the budget be amended to ensure that expenditures do not exceed appropriations. The final amendment to the budget was adopted in February 2025. A schedule showing the School District's original and final budget amounts compared with amounts actually paid and received is provided in the required supplementary information of these financial statements.

See Note 3 for significant variances between the final budget and actual amounts.

Capital Assets and Debt Administration

Capital Assets

As of June 30, 2025, the School District had \$117.5 million invested in a broad range of capital assets, including land, buildings, vehicles, furniture, equipment, and construction in progress. This represents a net increase (including additions, disposals, and depreciation) of approximately \$32.4 million, or 38.1 percent, from last year.

	2025	2024
Land	\$ 100,500	\$ 100,500
Construction in progress	32,431,016	28,449,217
Buildings and improvements	127,418,332	96,502,379
Furniture and equipment	11,453,771	9,423,985
Buses and other vehicles	2,325,665	2,255,765
Less accumulated depreciation	173,729,284	136,731,846
Less - Accumulated depreciation	56,206,737	51,659,119
Total capital assets - Net of accumulated depreciation	\$ 117,522,547	\$ 85,072,727

Waverly Community Schools

Management's Discussion and Analysis (Continued)

This year's additions of \$37.0 million included technology, classroom furniture, food service equipment, buses, site improvements, and building renovations. We present more detailed information about our capital assets in the notes to the financial statements.

Debt

At the end of this year, the School District had \$106.6 million in bonds outstanding versus \$109.6 million in the previous year. Those bonds consisted of the following:

	<u>2025</u>	<u>2024</u>
2024 Building and Site Series II Bonds	\$ 56,010,000	\$ 57,660,000
2022 Building and Site Series I Bonds	50,555,000	51,915,000
Total	<u><u>\$ 106,565,000</u></u>	<u><u>\$ 109,575,000</u></u>

Other obligations include compensated absences and arbitrage liabilities. We present more detailed information about our long-term liabilities in the notes to the financial statements.

Economic Factors and Next Year's Budgets and Rates

Our elected officials and administration consider many factors when setting the School District's 2025-2026 fiscal year budget. One of the most important factors affecting the budget is our student count. The state foundation revenue is determined by multiplying the blended student count by the foundation allowance per pupil. The 2025-2026 budget was adopted in June 2025 based on an estimate of students who will enroll in August 2025.

Contacting the School District's Management

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

June 30, 2025

Governmental
Activities

Assets

Cash and investments (Note 4)	\$ 11,329,360
Receivables:	
Accrued interest receivable	275,752
Other receivables	59,750
Due from other governments	6,179,726
Inventories	31,067
Prepaid expenses	497,193
Restricted assets - Unspent bond proceeds and taxes levied	67,577,955
Net OPEB asset (Note 9)	9,500,345
Capital assets:	
Assets not subject to depreciation (Note 6)	32,531,516
Assets subject to depreciation - Net (Note 6)	84,991,031
Total assets	<u>212,973,695</u>

Deferred Outflows of Resources

Deferred pension costs (Note 9)	16,845,048
Deferred OPEB costs (Note 9)	2,692,655
Total deferred outflows of resources	<u>19,537,703</u>

Liabilities

Accounts payable	10,978,339
Due to other governmental units	542,839
Accrued liabilities and other	4,180,688
Unearned revenue (Note 10)	1,526,378
Noncurrent liabilities:	
Due within one year (Note 7)	2,613,088
Due in more than one year (Note 7)	112,511,907
Net pension liability (Note 9)	53,622,908
Total liabilities	<u>185,976,147</u>

Deferred Inflows of Resources

Revenue in support of pension contributions made subsequent to the measurement date (Note 9)	2,984,270
Deferred pension costs (Note 9)	15,005,291
Deferred OPEB costs (Note 9)	12,243,806
Total deferred inflows of resources	<u>30,233,367</u>

Net Position (Deficit)

Net investment in capital assets	56,994,236
Restricted:	
Debt service	236,455
Capital projects	2,613,932
Net OPEB asset	9,500,345
Unrestricted	<u>(53,043,084)</u>
Total net position	<u><u>\$ 16,301,884</u></u>

Waverly Community Schools

Statement of Activities

Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenue			Governmental
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Activities
					Net (Expense) Revenue and Changes in Net Position
Primary government - Governmental activities:					
Instruction	\$ 24,628,328	\$ 16,080	\$ 20,958,363	\$ -	\$ (3,653,885)
Support services	16,874,876	27,004	563,551	1,148,659	(15,135,662)
Athletics	1,125,099	99,175	-	-	(1,025,924)
Food services	1,852,098	63,325	1,999,369	-	210,596
Community services	584,021	512,795	-	-	(71,226)
Interdistrict payments	142,670	-	-	-	(142,670)
Interest	4,233,311	-	-	-	(4,233,311)
Other debt costs	739,738	-	-	-	(739,738)
Total primary government	\$ 50,180,141	\$ 718,379	\$ 23,521,283	\$ 1,148,659	(24,791,820)
General revenue:					
Taxes:					
Property taxes, levied for general purposes					9,937,823
Property taxes, levied for debt service					6,629,712
Property taxes, levied for capital projects					1,038,159
State aid not restricted to specific purposes					19,608,646
Interest and investment earnings					4,153,438
Penalties, interest, and other taxes					16,106
Other					434,574
Total general revenue					41,818,458
Change in Net Position					17,026,638
Net Position (Deficit) - Beginning of year, as previously reported					(864,159)
Adoption of GASB 101 (Note 2)					139,405
Net Position (Deficit) - Beginning of year, as restated					(724,754)
Net Position (Deficit) - End of year					\$ 16,301,884

Waverly Community Schools

Governmental Funds Balance Sheet

June 30, 2025

	General Fund	Debt Service Fund	2022 Building and Site Series I Fund	2024 Building and Site Series II Fund	Nonmajor Funds	Total Governmental Funds
Assets						
Cash and investments (Note 4)	\$ 8,992,923	\$ -	\$ -	\$ -	\$ 2,336,437	\$ 11,329,360
Receivables:						
Accrued interest receivable	-	-	-	275,752	-	275,752
Other receivables	9,974	-	-	-	48,243	58,217
Due from other governments	6,058,079	-	-	-	121,647	6,179,726
Due from other funds (Note 5)	677,727	290,076	-	-	434,376	1,402,179
Inventories	-	-	-	-	31,067	31,067
Prepaid expenses	497,193	-	-	-	-	497,193
Restricted assets - Unspent bond proceeds and taxes levied (Note 4)	-	834,421	230,542	61,090,084	5,422,908	67,577,955
Total assets	\$ 16,235,896	\$ 1,124,497	\$ 230,542	\$ 61,365,836	\$ 8,394,678	\$ 87,351,449
Liabilities						
Accounts payable	\$ 136,731	\$ -	\$ -	\$ 10,303,545	\$ 538,063	\$ 10,978,339
Due to other governmental units	542,839	-	-	-	-	542,839
Due to other funds (Note 5)	724,452	-	189,936	247,624	238,634	1,400,646
Accrued liabilities and other	3,263,896	-	-	-	28,750	3,292,646
Unearned revenue (Note 10)	1,524,717	-	-	-	1,661	1,526,378
Total liabilities	6,192,635	-	189,936	10,551,169	807,108	17,740,848
Fund Balances						
Nonspendable:						
Inventories	-	-	-	-	31,067	31,067
Prepays	497,193	-	-	-	-	497,193
Restricted:						
Debt service	-	1,124,497	-	-	-	1,124,497
Capital projects	-	-	40,606	50,814,667	5,398,906	56,254,179
Food service	-	-	-	-	468,818	468,818
Committed:						
Capital projects	-	-	-	-	1,197,935	1,197,935
Community service	-	-	-	-	126,131	126,131
Student activities	-	-	-	-	364,713	364,713
Assigned - Subsequent year's budget	993,517	-	-	-	-	993,517
Unassigned	8,552,551	-	-	-	-	8,552,551
Total fund balances	10,043,261	1,124,497	40,606	50,814,667	7,587,570	69,610,601
Total liabilities and fund balances	\$ 16,235,896	\$ 1,124,497	\$ 230,542	\$ 61,365,836	\$ 8,394,678	\$ 87,351,449

Reconciliation of the Balance Sheet to the Statement of Net Position

June 30, 2025

Fund Balances Reported in Governmental Funds	\$ 69,610,601
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and are not reported in the funds:	
Cost of capital assets	173,729,284
Accumulated depreciation	<u>(56,206,737)</u>
Net capital assets used in governmental activities	117,522,547
Bonds payable and related premiums are not due and payable in the current period and are not reported in the funds	(113,034,768)
Accrued interest is not due and payable in the current period and is not reported in the funds	(888,042)
Some employee fringe benefits provide benefit (or are payable) over a long period of years and do not represent a benefit to (or a claim on) current financial resources; therefore they are not reported as fund assets (liabilities):	
Employee compensated absences	(956,437)
Net pension liability and related deferred inflows and outflows	(51,783,151)
Net OPEB asset (liability) and related deferred inflows and outflows	(50,806)
Revenue in support of pension contributions made subsequent to the measurement date is reported as a deferred inflow of resources in the statement of net position and is not reported in the funds	(2,984,270)
Other long-term liabilities, consisting of arbitrage rebate liabilities, do not present a claim on current financial resources and are not reported as fund liabilities	<u>(1,133,790)</u>
Net Position of Governmental Activities	<u>\$ 16,301,884</u>

Waverly Community Schools

Governmental Funds

Statement of Revenue, Expenditures, and Changes in Fund Balances

Year Ended June 30, 2025

	General Fund	Debt Service Fund	2022 Building and Site Series I Fund	2024 Building and Site Series II Fund	Nonmajor Funds	Total Governmental Funds
Revenue						
Local sources	\$ 10,603,370	\$ 6,684,655	\$ 542,590	\$ 2,970,206	\$ 2,127,370	\$ 22,928,191
State sources	32,071,234	104,377	1,925,200	-	1,331,999	35,432,810
Federal sources	852,999	-	-	-	2,123,374	2,976,373
Interdistrict sources	4,557,199	-	-	-	-	4,557,199
Total revenue	48,084,802	6,789,032	2,467,790	2,970,206	5,582,743	65,894,573
Expenditures						
Current:						
Instruction	25,801,151	-	-	-	3,011	25,804,162
Support services	19,094,831	-	-	500	242,665	19,337,996
Athletics	750,036	-	-	-	-	750,036
Food services	-	-	-	-	2,029,715	2,029,715
Community services	20,012	-	-	-	651,677	671,689
Debt service:						
Principal (Note 7)	-	3,010,000	-	-	-	3,010,000
Interest	-	4,501,482	-	-	-	4,501,482
Other debt costs	-	7,281	-	-	-	7,281
Capital outlay	106,323	-	22,348,357	10,303,545	4,282,552	37,040,777
Interdistrict payments	142,670	-	-	-	-	142,670
Total expenditures	45,915,023	7,518,763	22,348,357	10,304,045	7,209,620	93,295,808
Excess of Revenue Over (Under) Expenditures						
	2,169,779	(729,731)	(19,880,567)	(7,333,839)	(1,626,877)	(27,401,235)
Transfers in (Note 5)	96,949	-	-	-	1,100,000	1,196,949
Transfers out (Note 5)	(1,100,000)	-	-	-	(96,949)	(1,196,949)
Total other financing (uses) sources	(1,003,051)	-	-	-	1,003,051	-
Net Change in Fund Balances	1,166,728	(729,731)	(19,880,567)	(7,333,839)	(623,826)	(27,401,235)
Fund Balances - Beginning of year	8,876,533	1,854,228	19,921,173	58,148,506	8,211,396	97,011,836
Fund Balances - End of year	<u>\$ 10,043,261</u>	<u>\$ 1,124,497</u>	<u>\$ 40,606</u>	<u>\$ 50,814,667</u>	<u>\$ 7,587,570</u>	<u>\$ 69,610,601</u>

Governmental Funds

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

Year Ended June 30, 2025

Net Change in Fund Balances Reported in Governmental Funds	\$ (27,401,235)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; however, in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:	
Capitalized capital outlay	36,997,438
Depreciation expense	(4,547,618)
Revenue in support of pension contributions made subsequent to the measurement date	1,312,206
Repayment of bond principal and lease, subscription, and PPP liabilities is an expenditure in the governmental funds but not in the statement of activities (where it reduces long-term debt and lease, subscription, and PPP liabilities); amortization of premium/discounts and inflows/outflows related to bond refundings are not expenses in the governmental funds	3,253,088
Interest expense is recognized in the government-wide statements as it accrues	25,083
Some employee costs (pension, OPEB, and compensated absences) do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds	8,120,139
Claims and similar costs that do not use current financial resources are not reported as expenditures in the governmental funds	(732,457)
Change in Net Position of Governmental Activities	<u>\$ 17,026,644</u>

Waverly Community Schools

Fiduciary Funds Statement of Fiduciary Net Position

June 30, 2025

Custodial Funds

Assets - Cash (Note 4)

\$ 8,200

Liabilities

Due to other funds (Note 5)

1,533

Net Position - Restricted for individuals, organizations, and other governments

\$ 6,667

Draft

Fiduciary Funds
Statement of Changes in Fiduciary Net Position

Year Ended June 30, 2025

	<u>Custodial Funds</u>
Additions - Fundraising and contributions	\$ 2,448
Deductions - Other	<u>2,125</u>
Net Change in Fiduciary Net Position	323
Net Position - Beginning of year	<u>6,344</u>
Net Position - End of year	<u><u>\$ 6,667</u></u>

Draft

June 30, 2025

Note 1 - Nature of Business

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

Note 2 - Significant Accounting Policies

Accounting and Reporting Principles

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

Reporting Entity

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

Report Presentation

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

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

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

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

Note 2 - Significant Accounting Policies (Continued)

Fund Accounting

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

Governmental Funds

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

- The General Fund is the primary operating fund because it accounts for all financial resources used to provide government services other than those specifically assigned to another fund.
- The Debt Service Fund is used to record tax, interest, and other revenue for payment of interest, principal, and other expenditures on long-term debt.
- The 2024 Building and Site Series II capital project fund and 2022 Building and Site Series I capital project fund are used to record bond proceeds and the disbursement of invoices specifically designated for acquiring new school sites, buildings, equipment, and technology upgrades. The funds will operate until the purpose for which it was created is accomplished.

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

- Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes. The School District's special revenue funds are the Food Services, Community Services, and Student Activities funds. Revenue sources for the Food Services Fund include sales to customer and dedicated grants from federal sources. Revenue sources for the Community Services Fund include preschool and child care revenue. Revenue sources for the Student Activities Fund include fundraising revenue and donations earned and received by student groups. Any operating deficit generated by these activities is the responsibility of the General Fund.
- Capital project funds are used to record bond proceeds or other revenue and the disbursement of invoices specifically designated for acquiring new school sites, buildings, equipment, and technology upgrades and for remodeling and repairs. The funds operate until the purpose for which they were created is accomplished.

Fiduciary Funds

Fiduciary funds include amounts held in a fiduciary capacity. These amounts are not used to operate the School District's programs. The School District maintains a custodial fund to record the transactions of scholarship funds.

Interfund Activity

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

Note 2 - Significant Accounting Policies (Continued)

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

Basis of Accounting

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

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

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

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

Specific Balances and Transactions

Cash and Investments

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

Inventories and Prepaid Items

Inventories are valued at cost on a first-in, first-out basis. Inventories accounted for using the purchase method are recorded as expenditures when purchased and include all inventories of governmental funds other than commodities within the Food Services Fund. Inventories accounted for using the consumption method are recorded as expenditures when consumed rather than when purchased and include commodities within the Food Services Fund. Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements, when applicable.

Restricted Assets

The following amounts are reported as restricted assets:

- Unspent bond proceeds and related interest of the bonded capital project funds required to be set aside for construction or other allowable bond purchases
- Unspent property taxes levied held in the Debt Service Fund required to be set aside for future bond principal and interest payments
- Unspent property taxes levied and held in the Sinking Fund required to be set aside for construction or allowable purchases

Note 2 - Significant Accounting Policies (Continued)

Capital Assets

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

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

	Depreciable Life - Years
Buildings and improvements	20 to 50
Furniture and equipment	10 to 20
Buses and other vehicles	7 to 10

Long-term Obligations

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

Deferred Outflows/Inflows of Resources

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

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

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

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

Net Position

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

Note 2 - Significant Accounting Policies (Continued)

Net Position Flow Assumption

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

Fund Balance Flow Assumptions

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

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The nonspendable fund balance component represents amounts that are not in spendable form or are legally or contractually required to be maintained intact. Restricted fund balance represents amounts that are legally restricted by outside parties, constitutional provisions, or enabling legislation for use for a specific purpose. The School District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School District's highest level of decision-making authority. The Board of Education is the highest level of decision-making authority for the School District that can, by passing a resolution prior to the end of the fiscal year, commit fund balance. Once passed, the limitation imposed by the resolution remains in place until a similar action is taken (the passing of another resolution) to remove or revise the limitation.

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

The fund balance policy prescribes the minimum fund balance as 10 percent of operating expenditures in the General Fund. This is deemed to be the prudent amount to maintain the School District's ability to meet obligations as they come due throughout the year.

Note 2 - Significant Accounting Policies (Continued)

Property Tax Revenue

Properties are assessed as of December 31, and the related property taxes become a lien on July 1 of the following year. Tax collections are forwarded to the School District as collected by the assessing municipalities through March 1, at which time they are considered delinquent and added to county tax rolls. Any delinquent taxes collected by the county are remitted to the School District by June 30. The School District considers all receivables to be fully collectible; accordingly, no allowance for uncollectible amounts is recorded.

Grants and Contributions

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

Pension and Other Postemployment Benefit (OPEB) Plans

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

Compensated Absences

In accordance with GASB Statement No. 101, Compensated Absences, the District has accrued a liability for future absences, recognizing the obligation relating to compensation for absences attributable to services already rendered. Teachers and other employees receive compensation for vacations, holidays, illnesses, and certain other qualifying absences. The number of days compensated for annual and sick leave is based on years of service to the District. It is the policy of the District to accumulate earned but unused annual leave benefits, which will be paid to employees upon separation from the District. A leave liability is recognized due to the leave attributable to services already renders, leave that accumulates, and leave that is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

Use of Estimates

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

Tax Abatements

The School District evaluated tax abatements under the provisions of GASB Statement No. 77 and considered the total property tax abatements to be insignificant.

Note 2 - Significant Accounting Policies (Continued)

Accounting Changes and Error Corrections

Adoption of New Accounting Pronouncements

During the current year, the School District adopted GASB Statement No. 101, *Compensated Absences*, which updated the recognition and measurement for compensated absences under a unified model. As a result, the District is required to restate liabilities for compensated absences to be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means. The financial statements for the year ended June 30, 2024 have been restated in order to adopt GASB Statement No. 101. The effects of this adoption of a new accounting pronouncement are shown in the table at the end of this section.

Adjustments to and Restatements of Beginning Balances

During fiscal year 2025, the changes noted above resulted in adjustments to and restatements of beginning net position and fund net position as follows:

	<u>June 30, 2024</u>		<u>June 30, 2024</u>
	As Previously Reported	Adoption of GASB 101	As Restated
Government-wide - Governmental activities:	\$ (864,159)	\$ 139,405	\$ (724,754)

Upcoming Accounting Pronouncement

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

In September 2024, the Government Accounting Standards Board issued Statement No. 104, *Disclosure of Certain Capital Assets*, which requires certain types of capital assets, such as lease assets, intangible right-to-use assets, subscription assets, and other intangible assets to be disclosed separately by major class of underlying asset in the capital assets note. This statement also requires additional disclosures for capital assets held for sale. The provisions of this statement are effective for the School District's financial statements for the year ending June 30, 2026.

Note 3 - Stewardship, Compliance, and Accountability

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles and state law for the General Fund and all special revenue funds except that capital outlay expenditures are budgeted within the functions. All annual appropriations lapse at fiscal year end. The budget document presents information by fund and function. The legal level of budgetary control adopted by the governing body (i.e., the level at which expenditures may not legally exceed appropriations) is the function level. State law requires the School District to have its budget in place by July 1. Expenditures in excess of amounts budgeted are a violation of Michigan law. State law permits districts to amend their budgets during the year. During the year, the budget was amended in a legally permissible manner.

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

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders and contracts) are not tracked during the year. Budget appropriations are considered to be spent once the goods are delivered or the services rendered. At June 30, 2025, encumbrances totaled approximately \$47,303,743 in the 2024 Building and Site Series II capital project fund. There were no encumbrances in the 2022 Building and Site Series I capital project fund at June 30, 2025.

Excess of Expenditures Over Appropriations in Budgeted Funds

During the year, the School District incurred expenditures in the General Fund, which were in excess of the amounts budgeted, as follows:

	Budget	Actual
Support services - Pupil transportation services	\$ 1,353,273	\$ 1,555,270
Interdistrict payments	-	142,670
Total	<u>\$ 1,353,273</u>	<u>\$ 1,697,940</u>

Capital Project Fund Compliance

The 2024 Building and Site Series II and 2022 Building and Site Series I Funds include capital project activities funded with bonds. For these capital projects, the School District has complied with the applicable provisions of §1351a of the Revised School Code. The funds are not yet considered substantially complete and a subsequent year audit is expected.

The Sinking Fund records capital project activities funded with Sinking Fund millage. For this fund, authorized prior to March 29, 2017, the School District has complied with the applicable provisions of §1212 of the State of Michigan Revised School Code.

Note 4 - Deposits and Investments

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

The School District has designated two banks for the deposit of its funds.

There are no limitations or restrictions on participant withdrawals for the investment pools that are recorded at amortized cost except for a one-day minimum investment period on the MILAF cash management funds and a 14-day redemption limitation on MILAF MAX Class funds.

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

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits may not be returned to it. The School District's investment policy requires that financial institutions be evaluated and only those with an acceptable risk level be used for the School District's deposits for custodial credit risk. At year end, the School District had bank deposits totaling \$15,461,483 (checking and savings accounts) that were uninsured and uncollateralized. The School District believes that, due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits.

Note 4 - Deposits and Investments (Continued)

Custodial Credit Risk of Investments

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The School District's investment policy states that custodial credit risk will be minimized by limiting investments to the types of securities allowed by state law and by prequalifying the financial institutions, broker/dealers, intermediaries, and advisors with which the School District will do business using the criteria established in the investment policy. At June 30, 2025, the School District does not have investments with custodial credit risk.

Interest Rate Risk

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

At year end, the School District had the following investments and maturities:

Primary Government	Carrying Value	Less Than 1 Year	1-5 Years
U.S. Treasury notes	\$ 27,424,513	\$ 19,639,817	\$ 7,784,696
MILAF Term	7,500,000	-	7,500,000
Total	<u>\$ 34,924,513</u>	<u>\$ 19,639,817</u>	<u>\$ 15,284,696</u>

Primary Government	Carrying Value	Weighted- average Maturity (Years)
U.S. Treasury notes	\$ 27,424,513	1.68
MILAF Term	7,500,000	1.13
Total	<u>\$ 34,924,513</u>	

Credit Risk

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The School District's investment policy does not further limit its investment choices. At June 30, 2025, the credit quality ratings of debt securities (other than the U.S. government) are as follows:

Investment	Carrying Value	Rating	Rating Organization
Primary Government			
Michigan liquid asset fund (MILAF) - Cash management class	\$ 12,416,368	AAAm	Standard and Poor's
MILAF Plus MAX class funds	16,534,700	AAAm	Standard and Poor's
MILAF Term	7,500,000	N/A	N/A
Total	<u>\$ 36,451,068</u>		

Note 4 - Deposits and Investments (Continued)

Concentration of Credit Risk

The School District places no limit on the amount it may invest in any one issuer. The School District's policy minimizes concentration of credit risk by requiring diversification of the investment portfolio so that the impact of potential losses from any one type of issuer will be minimized. At June 30, 2025, the School District did not have any investments subject to concentration of credit risk.

Foreign Currency Risk

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

Fair Value Measurements

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The School District's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

The School District has the following recurring fair value measurements as of June 30, 2025:

Assets Measured at Carrying Value on a Recurring Basis at June 30, 2025				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at June 30, 2025
Assets				
Assets - Debt securities - U.S.				
Treasury notes	\$ -	\$ 27,424,513	\$ -	\$ 27,424,513
Investments measured at NAV - MILAF Term				7,500,000
Total assets				<u>\$ 34,924,513</u>

The fair value of U.S. Treasury securities at June 30, 2025 was determined primarily based on Level 2 inputs. The School District estimates the fair value of these investments using other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals.

Investments in Entities that Calculate Net Asset Value per Share

The School District holds shares in the Michigan Liquid Asset Fund Term Series whereby the fair value of the investments is measured on a recurring basis using net asset value per share (or its equivalent) of the investment companies as a practical expedient. The investment pool had no unfunded commitments. The MILAF Term Series allows for the School District to set a specific redemption date set upon initiation of investment. Early redemptions are permitted; however, an early redemption fee would apply.

Note 4 - Deposits and Investments (Continued)

The net asset value of the School District's investment in the MILAF Term Series at June 30, 2025 is presented in the table above.

Note 5 - Interfund Receivables, Payables, and Transfers

The composition of interfund balances is as follows:

Fund Due To	Fund Due From						
	General Fund	2022 Building and Site Series I Fund	2024 Building and Site Series II Fund	Nonmajor Funds	Total	Fiduciary Funds	Total
General Fund	\$ -	\$ 189,936	\$ 247,624	\$ 238,634	\$ 676,194	\$ 1,533	\$ 677,727
Nonmajor Funds	434,376	-	-	-	434,376	-	434,376
Debt Service Fund	290,076	-	-	-	290,076	-	290,076
Total	\$ 724,452	\$ 189,936	\$ 247,624	\$ 238,634	\$ 1,400,646	\$ 1,533	\$ 1,402,179

Interfund balances owed to the General Fund represent routine and temporary cash flow assistance from the General Fund until amounts are transferred from fund accounts. Interfund balances owed to the nonmajor funds represent reimbursements for allocated expenditures. Interfund balances owed to the Debt Service Fund relate to property tax revenue collected and due from the General Fund.

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

Paying Fund (Transfer Out)	Receiving Fund (Transfer In)	Amount
General Fund	Board Designated Capital Projects Fund	\$ 1,100,000
Food Services Fund	General Fund	96,949
	Total	\$ 1,196,949

The transfer from the Food Services Fund to the General Fund was for overhead cost reimbursement. The transfer from the General Fund to the Board Designated Capital Projects Fund was to fund improvement projects as authorized by the Board of Education.

June 30, 2025

Note 6 - Capital Assets

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

Governmental Activities

	Balance July 1, 2024	Reclassifications	Additions	Disposals and Adjustments	Balance June 30, 2025
Capital assets not being depreciated:					
Land	\$ 100,500	\$ -	\$ -	\$ -	\$ 100,500
Construction in progress	28,449,217	(26,641,844)	30,623,643	-	32,431,016
Subtotal	28,549,717	(26,641,844)	30,623,643	-	32,531,516
Capital assets being depreciated:					
Buildings and improvements	96,502,379	26,641,844	4,274,109	-	127,418,332
Furniture and equipment	9,423,985	-	2,029,786	-	11,453,771
Buses and other vehicles	2,255,765	-	69,900	-	2,325,665
Subtotal	108,182,129	26,641,844	6,373,795	-	141,197,768
Accumulated depreciation:					
Buildings and improvements	44,590,542	-	3,420,429	-	48,010,971
Furniture and equipment	5,436,372	-	981,200	-	6,417,572
Buses and other vehicles	1,632,205	-	145,989	-	1,778,194
Subtotal	51,659,119	-	4,547,618	-	56,206,737
Net capital assets being depreciated	56,523,010	26,641,844	1,826,177	-	84,991,031
Net governmental activities capital assets	\$ 85,072,727	\$ -	\$ 32,449,820	\$ -	\$ 117,522,547

Depreciation expense was charged to programs of the School District (primary government) as follows:

Governmental activities:	
Instruction	\$ 3,638,094
Support services	454,762
Athletics	454,762
Total governmental activities	<u>\$ 4,547,618</u>

Construction Commitments

The School District has active construction projects at year end. The remaining costs of the projects will be financed with bond proceeds from the current and future series. At year end, the School District's commitments with contractors are as follows:

	Spent to Date	Remaining Commitment
2024 Building and Site Bonds Series II	\$ 4,153,593	\$ 47,303,745
2022 Building and Site Bonds Series I	62,414,150	-
Total	<u>\$ 66,567,743</u>	<u>\$ 47,303,745</u>

Note 7 - Long-term Debt

Long-term debt activity for the year ended June 30, 2025 can be summarized as follows:

Governmental Activities

	Beginning Balance (Restated)	Additions	Reductions	Ending Balance	Due within One Year
Bonds payable - Other debt:					
General obligations	\$ 109,575,000	\$ -	\$ (3,010,000)	\$ 106,565,000	\$ 2,370,000
Unamortized bond premiums	6,712,856	-	(243,088)	6,469,768	243,088
Total bonds payable - other debt	116,287,856	-	(3,253,088)	113,034,768	2,613,088
Compensated absences	955,894	220,264	(219,721)	956,437	-
Arbitrage liability	401,333	732,457	-	1,133,790	-
Total governmental activities long-term debt	<u>\$ 117,645,083</u>	<u>\$ 952,721</u>	<u>\$ (3,472,809)</u>	<u>\$ 115,124,995</u>	<u>\$ 2,613,088</u>

General Obligation Bonds and Contracts

The School District issues general obligation bonds to provide for the acquisition and construction of major capital facilities. General obligations have been issued for governmental activities. General obligation bonds are direct obligations and pledge the full faith and credit of the School District. The primary source of any required repayment is from the School District's property tax levy; however, the State of Michigan may withhold the School District's state aid funding in order to recover amounts it has paid on behalf of the School District. General obligations outstanding at June 30, 2025 are as follows:

Purpose	Remaining Annual Installments	Interest Rates (Percent)	Maturing	Outstanding
Governmental Activities				
\$55,580,000 Building and Site Series I Bonds (2022)	\$1,380,000- \$2,740,000	3.0 - 5.0	May 1, 2051	\$ 50,555,000
\$57,660,000 Building and Site Series II Bonds (2024)	\$660,000- \$5,930,000	4.0 - 5.0	May 1, 2054	<u>56,010,000</u>
Total governmental activities				<u>\$ 106,565,000</u>

Note 7 - Long-term Debt (Continued)

Debt Service Requirements to Maturity

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

Years Ending June 30	Governmental Activities - Other Debt		
	Principal	Interest	Total
2026	\$ 2,370,000	\$ 4,381,313	\$ 6,751,313
2027	2,055,000	4,264,688	6,319,688
2028	2,145,000	4,160,063	6,305,063
2029	2,240,000	4,051,438	6,291,438
2030	2,340,000	3,938,063	6,278,063
2031-2035	13,265,000	17,872,463	31,137,463
2036-2040	16,245,000	14,628,313	30,873,313
2041-2045	19,820,000	10,963,688	30,783,688
2046-2050	23,740,000	6,999,534	30,739,534
Thereafter	22,345,000	2,180,575	24,525,575
Total	\$ 106,565,000	\$ 73,440,138	\$ 180,005,138

Note 8 - Risk Management

The School District is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The School District has purchased commercial insurance for property loss, torts, errors and omissions, and medical benefits claims. The School District participates in the SEG Self-insurers Workers' Disability Compensation Fund (risk pool) for claims relating to workers' compensation. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

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

Note 9 - Michigan Public School Employees' Retirement System

Plan Description

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

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

Note 9 - Michigan Public School Employees' Retirement System (Continued)

Benefits Provided

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

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

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

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

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

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

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

Contributions

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

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

Note 9 - Michigan Public School Employees' Retirement System (Continued)

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

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

The ranges of rates are as follows:

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

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

The School District's required and actual pension contributions to the plan for the year ended June 30, 2025 were \$9,823,006, which includes the School District's contributions required for those members with a defined contribution benefit. For the year ended June 30, 2025, the School District's required and actual pensions contributions include an allocation of \$2,431,566 in revenue received from the State of Michigan and remitted to the System to fund the MPSEs unfunded actuarial accrued liability (UAAL) stabilization rate as well as \$552,704 of a one-time state payment received and remitted to the System for the purpose of contributing additional assets to the System.

The School District's required and actual OPEB contributions to the plan for the year ended June 30, 2025 were \$888,257, which includes the School District's contributions required for those members with a defined contribution benefit.

Net Pension Liability

At June 30, 2025, the School District reported a liability of \$53,622,908 for its proportionate share of the net pension liability. The net pension liability was measured as of September 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of September 30, 2023, which used update procedures to roll forward the estimated liability to September 30, 2024. The School District's proportion of the net pension liability was based on a projection of its long-term share of contributions to the pension plan relative to the projected contributions of all participating reporting units, actuarially determined. At September 30, 2024 and 2023, the School District's proportion was 0.219 and 0.215 percent, respectively, representing a change of 2.10 percent.

Note 9 - Michigan Public School Employees' Retirement System (Continued)

Net OPEB Asset

At June 30, 2025, the School District reported an asset of \$9,500,345 for its proportionate share of the net OPEB asset. The net OPEB asset for fiscal year 2025 was measured as of September 30, 2024, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of September 30, 2023, which used update procedures to roll forward the estimated asset to September 30, 2024. The School District's proportion of the net OPEB asset was based on a projection of its long-term share of contributions to the OPEB plan relative to the projected contributions of all participating reporting units, actuarially determined. At September 30, 2024 and 2023, the School District's proportion was 0.221 and 0.218 percent, respectively, representing a change of 1.19 percent.

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

For 2025, the School District recognized pension expense of \$4,830,653, inclusive of payments to fund the MPSERS UAAL stabilization rate. At June 30, 2025, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,454,827	\$ (582,620)
Changes in assumptions	5,590,506	(3,928,863)
Net difference between projected and actual earnings on pension plan investments	-	(10,233,524)
Changes in proportion and differences between the School District's contributions and proportionate share of contributions	1,629,467	(260,284)
The School District's contributions to the plan subsequent to the measurement date	8,170,248	-
Total	<u>\$ 16,845,048</u>	<u>\$ (15,005,291)</u>

The \$2,984,270 reported as deferred inflows of resources resulting from the pension portion of state aid payments received pursuant to the UAAL payment will be recognized as state appropriations revenue for the year ending June 30, 2026. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ending	Amount
2026	\$ (1,251,837)
2027	838,936
2028	(3,392,521)
2029	(2,525,069)
Total	<u>\$ (6,330,491)</u>

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

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

For the year ended June 30, 2025, the School District recognized OPEB recovery of \$3,339,724.

June 30, 2025

Note 9 - Michigan Public School Employees' Retirement System (Continued)

At June 30, 2025, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ (10,067,464)
Changes in assumptions	2,075,012	(238,505)
Net difference between projected and actual earnings on OPEB plan investments	-	(1,798,524)
Changes in proportionate share or difference between amount contributed and proportionate share of contributions	406,887	(139,313)
Employer contributions to the plan subsequent to the measurement date	210,756	-
Total	<u>\$ 2,692,655</u>	<u>\$ (12,243,806)</u>

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

Years Ending	Amount
2026	\$ (3,206,931)
2027	(1,943,961)
2028	(1,856,873)
2029	(1,672,680)
2030	(906,613)
Thereafter	(174,849)
Total	<u>\$ (9,761,907)</u>

Actuarial Assumptions

The total pension liability and total OPEB asset as of September 30, 2024 are based on the results of an actuarial valuation as of September 30, 2023 and rolled forward. The total pension liability and OPEB asset were determined using the following actuarial assumptions:

Actuarial cost method		Entry age normal
Investment rate of return - Pension	6.00%	Net of investment expenses based on the groups
Investment rate of return - OPEB	6.00%	Net of investment expenses based on the groups
Salary increases	2.75% - 11.55%	Including wage inflation of 2.75 percent
Health care cost trend rate - OPEB	6.50% - 7.25%	Year 1 graded to 3.5 percent in year 15
Mortality basis		PubT-2010 Male and Female Employee Mortality Tables, scaled 100 percent (retirees: 116 percent for males and 116 percent for females) and adjusted for mortality improvements using projection scale MP-2021 from 2010.
Cost of living pension adjustments	3.00%	Annual noncompounded for MIP members

Assumption changes as a result of an experience study for the periods from 2017 through 2022 have been adopted by the System for use in the annual pension and OPEB valuations beginning with the September 30, 2023 valuation. The total pension liability and OPEB asset as of September 30, 2024, is based on the results of an actuarial valuation date of September 30, 2023, and rolled forward using generally accepted actuarial procedures, including the experience study.

Note 9 - Michigan Public School Employees' Retirement System (Continued)

Significant assumption changes since the prior measurement date, September 30, 2023, for the OPEB plans include a decrease in the health care cost trend rate of 0.25 percent for members under 65 and an increase of 0.25 percent for members over 65. There were no significant benefit terms changes for the pension or OPEB plans since the prior measurement date of September 30, 2023.

Discount Rate

The discount rate used to measure the total pension and OPEB asset was 6.00 percent as of September 30, 2024. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that district contributions will be made at statutorily required rates.

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

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

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity pools	25.00 %	5.30 %
Private equity pools	16.00	9.00
International equity pools	15.00	6.50
Fixed-income pools	13.00	2.20
Real estate and infrastructure pools	10.00	7.10
Absolute return pools	9.00	5.20
Real return/opportunistic pools	10.00	6.90
Short-term investment pools	2.00	1.40
Total	100.00 %	

Long-term rates of return are net of administrative expense and inflation of 2.3 percent.

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

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

	1 Percentage Point Decrease (5.00%)	Current Discount Rate (6.00%)	1 Percentage Point Increase (7.00%)
Net pension liability of the School District	\$ 78,611,759	\$ 53,622,908	\$ 32,814,881

Note 9 - Michigan Public School Employees' Retirement System (Continued)

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

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

	1 Percentage Point Decrease (5.00%)	Current Discount Rate (6.00%)	1 Percentage Point Increase (7.00%)
Net OPEB asset of the School District	\$ (7,341,945)	\$ (9,500,345)	\$ (11,366,509)

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

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

	1 Percentage Point Decrease	Current Rate	1 Percentage Point Increase
Net OPEB asset of the School District	\$ (11,366,530)	\$ (9,500,345)	\$ (7,498,871)

Pension Plan and OPEB Plan Fiduciary Net Position

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

Payable to the Pension Plan and OPEB Plan

At June 30, 2025, the School District reported a payable of \$1,115,767 and \$23,283 for the outstanding amount of contributions to the pension plan and OPEB plan, respectively, required for the year ended June 30, 2025.

Note 10 - Unavailable/Unearned Revenue

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

At June 30, 2025, the School District had no unavailable revenue and \$1,526,378 of unearned revenue, primarily related to tuition/fees not yet earned and grant/categorical aid payment received prior to meeting all eligibility requirements.

Required Supplementary Information

Waverly Community Schools

Required Supplementary Information Budgetary Comparison Schedule - General Fund

Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
Revenue				
Local sources	\$ 10,304,971	\$ 10,395,754	\$ 10,603,370	\$ 207,616
State sources	30,272,282	32,746,307	32,071,234	(675,073)
Federal sources	625,184	885,114	852,999	(32,115)
Interdistrict sources	3,886,251	4,463,466	4,557,199	93,733
Total revenue	45,088,688	48,490,641	48,084,802	(405,839)
Expenditures				
Current:				
Instruction:				
Basic programs	17,264,369	17,816,651	17,211,698	(604,953)
Added needs	8,981,451	9,262,093	8,675,923	(586,170)
Total instruction	26,245,820	27,078,744	25,887,621	(1,191,123)
Support services:				
Pupil	3,804,015	3,620,159	3,658,237	38,078
Instructional staff	2,993,238	2,996,520	2,797,839	(198,681)
General administration	447,950	493,951	526,498	32,547
School administration	3,249,904	3,440,626	3,448,782	8,156
Business	824,169	902,385	922,982	20,597
Operations and maintenance	4,521,736	4,506,899	4,296,731	(210,168)
Pupil transportation services	1,342,730	1,353,273	1,555,270	201,997
Central	1,535,488	1,653,170	1,660,343	7,173
Other	317,422	321,205	237,435	(83,770)
Total support services	19,036,652	19,288,188	19,104,117	(184,071)
Athletics	713,144	722,997	760,603	37,606
Community services	-	22,438	20,012	(2,426)
Interdistrict payments	-	-	142,670	142,670
Total expenditures	45,995,616	47,112,367	45,915,023	(1,197,344)
Excess of Revenue Over Expenditures	(906,928)	1,378,274	2,169,779	791,505
Other Financing Sources (Uses)				
Transfers in	125,000	125,000	96,949	(28,051)
Transfers out	(1,100,000)	(1,100,000)	(1,100,000)	-
Total other financing uses	(975,000)	(975,000)	(1,003,051)	(28,051)
Net Change in Fund Balance	(1,881,928)	403,274	1,166,728	763,454
Fund Balance - Beginning of year	8,876,533	8,876,533	8,876,533	-
Fund Balance - End of year	\$ 6,994,605	\$ 9,279,807	\$ 10,043,261	\$ 763,454

Waverly Community Schools

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

	Last Ten Plan Years									
	Years Ended September 30									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
School District's proportion of the net pension liability	0.21903 %	0.21452 %	0.21114 %	0.21181 %	0.21392 %	0.21044 %	0.20231 %	0.19595 %	0.19448 %	0.18841 %
School District's proportionate share of the net pension liability	\$53,622,908	\$69,432,702	\$79,406,174	\$50,146,065	\$73,483,734	\$69,691,226	\$60,817,605	\$50,780,227	\$48,522,117	\$46,018,023
School District's covered payroll	\$23,372,348	\$21,766,163	\$20,389,653	\$18,895,255	\$18,997,113	\$18,516,731	\$17,729,779	\$16,322,786	\$16,578,967	\$15,684,305 ⁹
School District's proportionate share of the net pension liability as a percentage of its covered payroll	229.43 %	318.99 %	389.44 %	265.39 %	386.82 %	376.37 %	343.03 %	311.10 %	292.67 %	293.40 %
Plan fiduciary net position as a percentage of total pension liability	74.44 %	65.91 %	60.77 %	72.32 %	59.49 %	60.08 %	62.12 %	63.96 %	63.01 %	62.92 %

Waverly Community Schools

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

**Last Ten Fiscal Years
Years Ended June 30**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	\$ 9,488,729	\$ 9,462,872	\$10,109,645	\$ 7,285,143	\$ 6,411,953	\$ 5,961,088	\$ 5,592,189	\$ 5,157,127	\$ 4,577,160	\$ 4,394,123
Contributions in relation to the statutorily required contribution	9,488,729	9,462,872	10,109,645	7,285,143	6,411,953	5,961,088	5,592,189	5,157,127	4,577,160	4,394,123
Contribution Excess (Deficiency)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's Covered Payroll	\$23,175,873	\$23,420,806	\$22,073,816	\$20,104,556	\$18,590,639	\$19,093,685	\$18,266,919	\$17,408,712	\$16,219,099	\$15,836,354
Contributions as a Percentage of Covered Payroll	40.94 %	40.40 %	45.80 %	36.24 %	34.49 %	31.22 %	30.61 %	29.62 %	28.22 %	27.75 %

Waverly Community Schools

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

	Last Eight Plan Years							
	Plan Years Ended September 30							
	2024	2023	2022	2021	2020	2019	2018	2017
School District's proportion of the net OPEB (asset) liability	0.22071 %	0.21812 %	0.21025 %	0.20957 %	0.21452 %	0.21215 %	0.20756 %	0.19555 %
School District's proportionate share of the net OPEB (asset) liability	\$ (9,500,345)	\$ (1,233,887)	\$ 4,453,161	\$ 3,198,790	\$ 11,492,402	\$ 15,227,338	\$ 16,498,661	\$ 17,316,480
School District's covered payroll	\$ 23,372,348	\$ 21,766,163	\$ 20,389,653	\$ 18,895,255	\$ 18,997,113	\$ 18,516,731	\$ 17,729,779	\$ 16,322,786 ₆₁
School District's proportionate share of the net OPEB (asset) liability as a percentage of its covered payroll	(40.65)%	(5.67)%	21.84 %	16.93 %	60.50 %	82.24 %	93.06 %	106.09 %
Plan fiduciary net position as a percentage of total OPEB liability	143.08 %	105.04 %	83.09 %	88.87 %	59.76 %	48.67 %	43.10 %	36.53 %

Waverly Community Schools

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

	Last Eight Fiscal Years Years Ended June 30							
	2025	2024	2023	2022	2021	2020	2019	2018
Statutorily required contribution	\$ 690,062	\$ 1,924,119	\$ 1,776,766	\$ 1,638,360	\$ 1,547,066	\$ 1,534,292	\$ 1,434,871	\$ 1,257,383
Contributions in relation to the statutorily required contribution	690,062	1,924,119	1,776,766	1,638,360	1,547,066	1,534,292	1,434,871	1,257,383
Contribution Excess (Deficiency)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's Covered Payroll	\$ 23,175,873	\$ 23,420,806	\$ 22,073,816	\$ 20,104,556	\$ 18,590,639	\$ 19,093,685	\$ 18,266,919	\$ 17,408,712 ⁶²
Contributions as a Percentage of Covered Payroll	2.98 %	8.22 %	8.05 %	8.15 %	8.32 %	8.04 %	7.86 %	7.22 %

June 30, 2025

Pension Information

The required contributions for the year ended June 30, 2025 include a one-time contribution of \$522,704, referred to as 147c(2), related to funding received from the State and remitted to the System for the purpose of contributing additional assets to the System.

Benefit Changes

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

Changes in Assumptions

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

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

OPEB Information

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

Benefit Changes

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

Changes in Assumptions

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

- 2024 - The health care cost trend rate used in the September 30, 2024 actuarial valuation decreased by 0.25 percentage points for members under 65 and increased by 0.25 percentage points for members over 65.
- 2023 - The health care cost trend rate used in the September 30, 2023 actuarial valuation decreased by 0.25 percentage points for members under 65 and increased by 1.00 percentage points for members over 65. In addition, actual per person health benefit costs were lower than projected. The valuation includes the impact of an updated experience study for periods from 2017 to 2022.
- 2022 - The discount rate and investment rate of return used in the September 30, 2021 actuarial valuation decreased by 0.95 percentage points. This resulted in a lower than projected per person health benefit costs to reduce the plan's total OPEB liability by an additional \$1.1 billion in 2022.
- 2021 - The health care cost trend rate used in the September 30, 2020 actuarial valuation increased by 0.75 percentage points for members under 65 and decreased by 1.75 percentage points for members over 65. In addition, actual per person health benefit costs were lower than projected. This reduced the plan's total OPEB liability by \$1.3 billion in 2021.

June 30, 2025

- 2020 - The health care cost trend rate used in the September 30, 2019 actuarial valuation decreased by 0.50 percentage points. This, in addition to actual per person health benefit costs being lower than expected, reduced the plan's total OPEB liability by an additional \$1.8 billion in 2020.
- 2019 - The discount rate used in the September 30, 2018 actuarial valuation decreased by 0.20 percentage points. The valuation also includes the impact of an updated experience study for periods from 2012 to 2017. This resulted in a lower than projected per person health benefit costs to reduce the plan's total OPEB liability by an additional \$1.4 billion in 2019.
- 2018 - The discount rate used in the September 30, 2017 actuarial valuation decreased by 0.35 percentage points. The valuation also includes the impact of an updated experience study for periods from 2012 to 2017. This resulted in a lower than projected per person health benefit costs to reduce the plan's total OPEB liability by \$1.4 billion in 2018.

Draft

Other Supplementary Information

Draft

Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds

June 30, 2025

	Special Revenue Funds				Capital Project Funds				Total
	Food Services Fund	Community Services Fund	Student Activities Fund	Total Special Revenue Funds	Sinking Fund	Senior Center - ARP Funds	Board Designated Capital Projects Fund	Total Capital Project Funds	
Assets									
Cash and investments	\$ 285,888	\$ 230,421	\$ 173,102	\$ 689,411	\$ -	\$ -	\$ 1,647,026	\$ 1,647,026	\$ 2,336,437
Receivables:									
Other receivables	-	48,243	-	48,243	-	-	-	-	48,243
Due from other governments	12,971	-	-	12,971	-	108,676	-	108,676	121,647
Due from other funds	186,210	-	191,611	377,821	-	-	56,555	56,555	434,376
Inventories	31,067	-	-	31,067	-	-	-	-	31,067
Restricted assets	-	-	-	-	5,422,908	-	-	5,422,908	5,422,908
Total assets	\$ 516,136	\$ 278,664	\$ 364,713	\$ 1,159,513	\$ 5,422,908	\$ 108,676	\$ 1,703,581	\$ 7,235,165	\$ 8,394,678
Liabilities									
Accounts payable	\$ 2,156	\$ 8,617	\$ -	\$ 10,773	\$ -	\$ 21,644	\$ 505,646	\$ 527,290	\$ 538,063
Due to other funds	-	127,600	-	127,600	24,002	87,032	-	111,034	238,634
Accrued liabilities and other	12,434	16,316	-	28,750	-	-	-	-	28,750
Unearned revenue	1,661	-	-	1,661	-	-	-	-	1,661
Total liabilities	16,251	152,533	-	168,784	24,002	108,676	505,646	638,324	807,108
Fund Balances									
Nonspendable	31,067	-	-	31,067	-	-	-	-	31,067
Restricted:									
Capital projects	-	-	-	-	5,398,906	-	-	5,398,906	5,398,906
Food service	468,818	-	-	468,818	-	-	-	-	468,818
Committed	-	126,131	364,713	490,844	-	-	1,197,935	1,197,935	1,688,779
Total fund balances	499,885	126,131	364,713	990,729	5,398,906	-	1,197,935	6,596,841	7,587,570
Total liabilities and fund balances	\$ 516,136	\$ 278,664	\$ 364,713	\$ 1,159,513	\$ 5,422,908	\$ 108,676	\$ 1,703,581	\$ 7,235,165	\$ 8,394,678

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

Year Ended June 30, 2025

	Special Revenue Funds				Capital Project Funds				Total
	Food Services Fund	Community Services Fund	Student Activities Fund	Total Special Revenue Funds	Sinking Fund	Senior Center - ARP Funds	Board Designated Capital Projects Fund	Total Capital Project Funds	
Revenue									
Local sources	\$ 63,325	\$ 512,439	\$ 277,020	\$ 852,784	\$ 1,193,343	\$ -	\$ 81,243	\$ 1,274,586	\$ 2,127,370
State sources	158,115	25,225	-	183,340	-	-	1,148,659	1,148,659	1,331,999
Federal sources	1,882,661	-	-	1,882,661	-	240,713	-	240,713	2,123,374
Total revenue	2,104,101	537,664	277,020	2,918,785	1,193,343	240,713	1,229,902	2,663,958	5,582,743
Expenditures									
Current:									67
Instruction	-	3,011	-	3,011	-	-	-	-	3,011
Support services	105	-	241,421	241,526	1,139	-	-	1,139	242,665
Food services	2,029,715	-	-	2,029,715	-	-	-	-	2,029,715
Community services	-	651,677	-	651,677	-	-	-	-	651,677
Capital outlay	15,341	-	-	15,341	15,000	240,713	4,011,498	4,267,211	4,282,552
Total expenditures	2,045,161	654,688	241,421	2,941,270	16,139	240,713	4,011,498	4,268,350	7,209,620
Other Financing Sources (Uses)									
Transfers in	-	-	-	-	-	-	1,100,000	1,100,000	1,100,000
Transfers out	(96,949)	-	-	(96,949)	-	-	-	-	(96,949)
Total other financing (uses) sources	(96,949)	-	-	(96,949)	-	-	1,100,000	1,100,000	1,003,051
Net Change in Fund Balances	(38,009)	(117,024)	35,599	(119,434)	1,177,204	-	(1,681,596)	(504,392)	(623,826)
Fund Balances - Beginning of year	537,894	243,155	329,114	1,110,163	4,221,702	-	2,879,531	7,101,233	8,211,396
Fund Balances - End of year	\$ 499,885	\$ 126,131	\$ 364,713	\$ 990,729	\$ 5,398,906	\$ -	\$ 1,197,935	\$ 6,596,841	\$ 7,587,570

Other Supplementary Information
Schedule of Bonded Indebtedness

June 30, 2025

Years Ending June 30	2022 Building and Site Series I	2024 Building and Site Series II	Total
	Principal	Principal	
2026	\$ 1,380,000	\$ 990,000	\$ 2,370,000
2027	1,395,000	660,000	2,055,000
2028	1,420,000	725,000	2,145,000
2029	1,455,000	785,000	2,240,000
2030	1,470,000	870,000	2,340,000
2031	1,500,000	940,000	2,440,000
2032	1,530,000	1,015,000	2,545,000
2033	1,600,000	1,055,000	2,655,000
2034	1,660,000	1,105,000	2,765,000
2035	1,705,000	1,155,000	2,860,000
2036	1,760,000	1,220,000	2,980,000
2037	1,810,000	1,295,000	3,105,000
2038	1,860,000	1,380,000	3,240,000
2039	1,920,000	1,465,000	3,385,000
2040	1,980,000	1,555,000	3,535,000
2041	2,035,000	1,645,000	3,680,000
2042	2,095,000	1,720,000	3,815,000
2043	2,155,000	1,795,000	3,950,000
2044	2,220,000	1,885,000	4,105,000
2045	2,300,000	1,970,000	4,270,000
2046	2,370,000	2,055,000	4,425,000
2047	2,440,000	2,140,000	4,580,000
2048	2,510,000	2,230,000	4,740,000
2049	2,585,000	2,325,000	4,910,000
2050	2,660,000	2,425,000	5,085,000
2051	2,740,000	2,525,000	5,265,000
2052	-	5,460,000	5,460,000
2053	-	5,690,000	5,690,000
2054	-	5,930,000	5,930,000
Total remaining payments	\$ 50,555,000	\$ 56,010,000	\$ 106,565,000
Interest rate	3.0% - 5.0%	4.0% - 5.0%	
Original issue	\$ 55,850,000	\$ 57,660,000	\$ 113,510,000

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

Waverly Community Schools

Federal Awards Supplemental Information
June 30, 2025

Independent Auditor's Reports

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

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*

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

Schedule of Expenditures of Federal Awards	1-2
Notes to Schedule of Expenditures of Federal Awards	3
Schedule of Findings and Questioned Costs	4-5

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

Independent Auditor's Report

To the Board of Education
Waverly Community Schools

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Waverly Community Schools (the "School District") as of and for the year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the School District's basic financial statements. We issued our report thereon dated September 12, 2025, which contained an unmodified opinion on the financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. We have not performed any procedures with respect to the audited financial statements subsequent to September 12, 2025.

The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis, as required by the 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 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

September 12, 2025

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

Independent Auditor's Report

To Management and the Board of Education
Waverly Community Schools

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Waverly Community Schools (the "School District") as of and for the year ended June 30, 2025 and the related notes to the basic financial statements, which collectively comprise the School District's basic financial statements and have issued our report thereon dated September 12, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

To Management and the Board of Education
Waverly Community Schools

Purpose of this Report

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

September 12, 2025

Draft

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

Independent Auditor's Report

To the Board of Education
Waverly Community Schools

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Waverly Community Schools' (the "School District") compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on the School District's major federal program for the year ended June 30, 2025. The School District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

To the Board of Education
Waverly Community Schools

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

To the Board of Education
Waverly Community Schools

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

September 12, 2025

Draft

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2025

Federal Agency/Pass-through Agency/Program Title	Pass-through Entity Identifying Number	Assistance Listing Number	Award Amount	(Memo Only) Prior Year Expenditures	Accrued Revenue at July 1, 2024	Adjustments and Transfers	Federal Funds/ Payments In-kind Received	Federal Expenditures	Accrued Revenue at June 30, 2025	Current Year Cash Transferred to Subrecipients
Clusters:										
Child Nutrition Cluster - U.S. Department of Agriculture - Passed through the Michigan Department of Education:										
Noncash Assistance (Commodities):										
National Lunch Program Entitlement Commodities 24-25	N/A	10.555	\$ 106,276	\$ -	\$ -	\$ -	\$ 106,276	\$ 106,276	\$ -	\$ -
Cash Assistance:										
National School Lunch Program 2023-2024	241960/241980	10.555	1,202,248	1,003,489	-	-	198,759	198,759	-	-
National School Lunch Program 2024-2025	251960/251980	10.555	1,082,305	-	-	-	1,082,305	1,082,305	-	-
National School Lunch Program (incl. commodities) subtotal		10.555	2,390,829	1,003,489	-	-	1,387,340	1,387,340	-	-
National School Breakfast Program 2023-2024	241970	10.553	489,543	415,850	-	-	73,693	73,693	-	-
National School Breakfast Program 2024-2025	251970	10.553	403,330	-	-	-	403,330	403,330	-	-
School Breakfast Program subtotal		10.553	892,873	415,850	-	-	477,023	477,023	-	-
Summer Food Service Program 2024-2025	240900/250900	10.559	18,298	-	2,948	-	17,885	18,298	3,361	-
Total Child Nutrition Cluster			3,302,000	1,419,339	2,948	-	1,882,248	1,882,661	3,361	-
Special Education Cluster - U.S. Department of Education - Special Education Grants to States - Passed through Ingham ISD:										
IDEA Preschool Incentive:										
IDEA Preschool 2023-2024	240460-2024	84.173	30,838	30,838	30,838	-	30,838	-	-	-
IDEA Preschool 2024-2025	250460-2025	84.173	30,092	-	-	-	-	30,092	30,092	-
Total IDEA Preschool Incentive		84.173	60,930	30,838	30,838	-	30,838	30,092	30,092	-
IDEA Flowthrough:										
IDEA Flowthrough - IDEA Flowthrough 2022-2023	230450-2023	84.027	2,420	2,420	2,420	-	2,420	-	-	-
IDEA Flowthrough - IDEA Flowthrough 2023-2024	240450-2024	84.027	2,411	-	-	-	-	2,411	2,411	-
Total IDEA Flowthrough Incentive		84.027	4,831	2,420	2,420	-	2,420	2,411	2,411	-
Total Special Education Cluster			65,761	33,258	33,258	-	33,258	32,503	32,503	-
Medicaid Cluster - U.S. Department of Health and Human Services - Passed through Ingham ISD - Medicaid Outreach 2024-2025										
Medicaid Outreach 2024-2025	N/A	93.778	65,845	-	-	-	65,845	65,845	-	-
Total clusters			3,433,606	1,452,597	36,206	-	1,981,351	1,981,009	35,864	-

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2025

Federal Agency/Pass-through Agency/Program Title	Pass-through Entity Identifying Number	Assistance Listing Number	Award Amount	(Memo Only) Prior Year Expenditures	Accrued Revenue at July 1, 2024	Adjustments and Transfers	Federal Funds/ Payments In-kind Received	Federal Expenditures	Accrued Revenue at June 30, 2025	Current Year Cash Transferred to Subrecipients
Other federal awards:										
U.S. Department of the Treasury -										
Passed through Michigan Department of Health and Human Services -										
COVID-19 Federal State and Local Fiscal Recovery Funds (SLFRF) - Senior Center	SNRC-2024	21.027	\$ 10,000,000	\$ 112,887	\$ 94,024	\$ -	\$ 228,062	\$ 240,713	\$ 108,676	\$ -
U.S. Department of Homeland Security -										
Passed through the Michigan Department of State Police Emergency Management and Homeland Security Division:										
State and Local Cybersecurity Grant Program 2022	EMW-2022-CY-00003	97.137	147,936	-	-	-	51,663	51,663	-	-
Title I, Part A - Title I Grants to Local Education Agencies - Passed through the Michigan Department of Education:										
Title I Part A 2023-24	241530-2324	84.010	522,444	447,632	87,616	-	87,616	-	-	-
Title I Part A 2024-25	251530-2425	84.010	576,398	-	-	-	446,884	525,602	78,718	-
Total Title I, Part A		84.010	1,098,842	447,632	87,616	-	534,500	525,602	78,718	-
Title II, Part A - Supporting Effective Instruction State Grants - U.S. Department of Education - Passed through the Michigan Department of Education:										
Title II Part A 2324	240520-2324	84.367	90,700	104,763	21,092	-	21,092	-	-	-
Title II Part A 2425	250520-2425	84.367	98,252	-	-	44,631	78,419	94,380	15,961	-
Total Title II, Part A		84.367	188,952	104,763	21,092	44,631	99,511	94,380	15,961	-
Title III, Part A - English Language Acquisition State Grants - U.S. Department of Education - Passed through the Michigan Department of Education:										
Title III Part A - Limited English Proficient Students 2324	240580-2324	84.365	24,062	17,078	2,799	-	2,799	-	-	-
Title III Part A - Limited English Proficient Students 2425	250580-2425	84.365	24,795	-	-	-	14,003	17,575	3,572	-
Total Title III, Part A		84.365	48,857	17,078	2,799	-	16,802	17,575	3,572	-
Title IV, Part A - Student Support & Academic Enrichment Program - U.S. Department of Education - Passed through the Michigan Department of Education -										
Title IV, Part A 2425	250750-2425	84.424	44,631	-	-	(44,631)	-	-	-	-
Education Stabilization Fund Grants - U.S. Department of Education - Passed through the Michigan Department of Education:										
COVID-19 EANS II Section 11bb	221037-2324	84.425V	45,947	-	-	-	45,947	45,947	-	-
COVID-19 ARP/Homeless Children & Youth Homeless II	211012-2122	84.425W	30,282	-	-	-	19,484	19,484	-	-
COVID-19 ARP/ESSER III Formula Fund	213713-2122	84.425U	3,599,224	2,024,237	305,260	-	305,260	-	0	-
Total Education Stabilization Fund Grants		84.425	3,675,453	2,024,237	305,260	-	370,691	65,431	0	-
Total federal awards			\$ 18,638,277	\$ 4,159,194	\$ 546,997	\$ -	\$ 3,280,580	\$ 2,976,373	\$ 242,791	\$ -

Notes to Schedule of Expenditures of Federal Awards

June 30, 2025

Note 1 - Basis of Presentation

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

Note 2 - Summary of Significant Accounting Policies

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

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

Note 3 - Grant Auditor Report

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

Note 4 - Noncash Assistance

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

Note 5 - Adjustments and Transfers

During the year ended June 30, 2025, the School District transferred \$44,631 of awarded Title IV, Part A funds to Title II, Part A. The Title II, Part A payments received and expenditures presented on the schedule of expenditures of federal awards include \$25,946 and \$31,750, respectively, of amounts related to the transfer of Title IV, Part A funds awards. The transfer was approved by the Michigan Department of Education.

Schedule of Findings and Questioned Costs

Schedule of Findings and Questioned Costs

Year Ended June 30, 2025

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes X None reported

Noncompliance material to financial statements noted? _____ Yes X None reported

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes X None reported

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)? _____ Yes X No

Identification of major programs:

Assistance Listing Number	Name of Federal Program or Cluster	Opinion
10.555, 10.553, 10.559	Child Nutrition Cluster	Unmodified

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? X Yes _____ No

Section II - Financial Statement Audit Findings

Reference Number	Finding
Current Year	None

Section III - Federal Program Audit Findings

Reference Number	Finding	Questioned Costs
Current Year	None	

Minutes of Regular Meeting

The Board of Trustees Waverly Community Schools

Opening of Meeting

The regular monthly meeting of the Waverly Community Schools Board of Education was held on Monday, September 15, 2025 in the Waverly Board of Education Meeting Room, located at 515 Snow Rd., Lansing, MI 48917. President Guevara called the meeting to order at 6:00 PM. The pledge to the flag was led by Member Perkins.

Members Present: Alicia Guevara
 Deborah Lopez
 Vince Perkins
 Cathy Pike
 Ty Liggons
 Andrea Torres

Student Representative: Vivian Wolfe

Members Absent: Emily Lenneman

Correspondence:

None

Public Comment for Agenda Items:

None

Board Member Comment:

Member Pike

- Visited Elmwood
- Met a Waverly high school student who is excited to read about ancient history. Thank you to Waverly staff for keeping our students engaged and excited about learning.

Member Lopez:

- Greeted students at the Middle School on the first day of school. Staff was very helpful with getting students their schedules and to classes.

Member Liggons:

- Greeted students at East Intermediate on the first day of school.
- Welcomed Superintendent Mitcham.

Member Guevara:

- Welcomed Superintendent Mitcham.
- Welcomed Student Representative Vivian Wolfe.
- Greeted students at Colt ECEC on the first day of school. Great to see students excited to go to school to start learning.
- Welcome back all staff for the 2025-26 school year.

Approval Agenda and Accept all Reports into Discussion

President Guevara requested a motion to amend the agenda to add Report #24-18, Winter Tax Levy and a closed session meeting.

A motion was presented by Member Perkins and supported by Member Lopez to amend the agenda as requested.

Motion PASSED

Vote: Ayes – 6 ; Nays – 0; Absent – 1 Member Lenneman

A motion was presented by Member Liggons and supported by Member Torres to approve the agenda with additions as presented and accept all reports into discussion.

Motion PASSED

Vote: Ayes – 6 ; Nays – 0; Absent – 1 Member Lenneman

Approval Consent Agenda Items

A motion was presented by Member Lopez and supported by Member Perkins to approve the consent agenda as presented.

Motion PASSED

Vote: Ayes – 6 ; Nays – 0; Absent – 1 Member Lenneman

Committee Meetings

- None

Presentation of Reports

For Action – Report #25-17, Apprentice Program Wall at Waverly High School

A motion was presented by Member Liggons and supported by Member Perkins, to approve the Apprentice Program Wall at Waverly High School.

Motion PASSED

Vote: Ayes – 6 ; Nays – 0; Absent – 1 Member Lenneman

For Action – Report #25-18, Winter Tax Levy

A motion was presented by Member Lopez and supported by Member Pike, to adopt the proposed winter tax levy for the City of Lansing, Delta Township, Lansing Township, Watertown Township and Windsor Township.

Motion PASSED

Vote: Ayes – 6 ; Nays – 0; Absent – 1 Member Lenneman

Superintendent’s Report:

Superintendent Mitcham reported:

- Excited to be at Waverly Community Schools.
- Have spent time in each school building and service building and recognize the outstanding staff at Waverly Community Schools.
- Construction update – a full report will be included in the board minutes
 - At the high school the baseball path concrete replacement, painting, roller shades in classroom
 - At the middle school – tiling in bathrooms, ceilings installed
 - At Winans – steel and roof removal, roller shades in classrooms
 - At Elmwood – new paved parking lot
 - At Colt – starting basic abatement work
- Budget update – need to have an education friendly budget
 - Encourages all to reach out to state legislature
- Sinking Fund renewal on November ballot – no tax increase renewal
 - Will send an informational flyer to all in 48917 zip code
- Advanced Peace – Community-based violence prevention program. WCS has contracte3d with Advanced Peace to be involved at Waverly High School. Advanced Pease will give a presentation to the board at the October regular meeting.

Public Comment – Open Comment for District Issues

The following individuals gave a public comment:

Community Member Arnold Weinfeld – Elmwood construction

WEA member Nellie Jurgess –Special Education and Human Resources

WEA member Matt Oppenheim – Staffing concerns

WEA member Mike Shuptar – Class offerings and class sizes

WESPA member Rhonda Snook – School library staffing
WESPA member Chelsea Ott – Special Education
Student parent Natasha Ortega – Student Code of Conduct violations
WEA member Nate Jarvie – Staffing
Student Camryn Murray – Orchestra concerns
Rasaad Long – Orchestra concerns
Luke Hollenbaugh – Class size concerns

Other Board Business

None

A motion was presented by Vince Perkins and supported by Member Lopez to go into closed session for the purpose of attorney/client privileged discussion.

Roll Call Vote:

Member Torres – Yes	Member Lopez - Yes
Member Pike – Yes	Member Guevara - Yes
Member Perkins – Yes	Member Liggons – Yes

Motion PASSED

Vote: Ayes – 6 ; Nays – 0; Absent – 1 Member Lenneman

The board exited open session at 7:00 pm.
The board returned to open session at 9:05 pm.

A motion was presented by Vince Perkins and supported by Member Liggons to accept the investigation resolution as presented.

Motion PASSED

Vote: Ayes – 6 ; Nays – 0; Absent – 1 Member Lenneman

The meeting adjourned at 9:08 pm.

Respectfully submitted,

Vince Perkins, Secretary
aml

Superintendents Report September 25, 2025

Week 1

- So excited to be here! Day 6 😊
- I have sincerely appreciated the warm welcome I have experienced from the good people of Waverly Community Schools (WCS). All the smiles, handshakes, kind notes and information sharing have been wonderful. Thank you.
- I **used** to think I knew what it meant to “Drink from the firehose” ... Now I really know! Maybe it’s like moving to a new country... Everything is similar but different. However, I am so glad to be here, and I am doing my best to climb up this learning curve!
- There have been many highlights from my first week on the job – but none better than the time I spent in each of our 6 buildings and our transportation center. These were quick visits but already I can tell that WCS employees love our students and are working hard to support them and teach them. Students are learning and growing – getting all that the Pre K – 12th grade experience has to offer! I have been nothing but impressed!

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Construction Update

- I have attended my first WCS Owner Architect Construction (OAC) Meeting – Great job by Evan!
- **Coordination & Schedule**
 - a. **High School**
 - Restrooms: Plumbing UG done and inspected, electrical UG inspection tomorrow, concrete infill next week with plumbing rough in to follow
 - Ramp: Walls placed and forms pulled, backfill to follow
 - Concrete replacement by the baseball path underway now, going to follow up with north side of high school
 - Painting the old office entrance started with prep yesterday

- Plans for Bulletin 16 Entrance
- Powdercoat Railing at Ramp
- Pit Cover Installed week of 9/15
- Ladder for Roof Access
- Replace lockset with new
- Lights in Panels at entrance
- Hole in frame at Entrance
- Roof Leaks & Cafeteria Stains
- Rollershades 9/15 week

a. **Middle School**

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Occupied Spaces:

- Tile complete in 4 bathrooms. Ready to hang fixtures. Turn over next week. Take over 3 more.
- Hallway flooring
- Cut down doors
- Glass for bump out
- Doors by Gym

Area “D” – Front Entrance & Office:

- Column Splice
- Ceilings installed by 9/12
- Lights dropping starting 9/14
- Fire Suppression 9/15
- Storefront system 3 weeks for delivery: **RFI**
- Coordinate field measuring for panels 9/14
- Move in possible Oct 15 (no panels)
- RFI: DT Watermain

b. Winans

- Foundations Underway
- Steel & Roof Removal Underway
- Gym Roofing Sept 19. (Leak at Main office curb sealed)
- Bathroom Ceilings in Area A & Tile
- Blocking for Metal Panels 9/16
- Rollershades week of 9/15
- Cores & Locker tops are in. Confirm install.
- Coat Hooks Send RFI
- Camera for line under area C

c. Elmwood

- Site Utilities Underway
- Parking Lot Paved
- Building Pad Underway (Undercut)
- Temp Wall & Sidewalk 9/12 – 9/16
- Construction Fence

d. **Colt**

- Schedule
 - Estimate Review week of 9/15
 - Start Next Week
 - Abatement 9/22 (coordinate)
 - Dumpster Coordination
-
- Working hard to do everything we can to stay **on time and under budget!**

State Budget

- Last week I was a participant in a Press Conference sponsored by the Michigan Association of Superintendents & Administrators (MASA).
- 40-50 Superintendents from all over the State gathered at the MASA headquarters here in Lansing, in front of all our local media outlets to send a message of solidarity to our state legislators that a K-12 education friendly state budget needs to be passed before October 1. As we have all heard in the news, if a budget is not passed by October 1 – The state government would face a shut down. If that were to happen, The October 20th state aid payment to schools could be at risk.
- After the press conference, 20-25 of us went to the State Capital while the legislature was in session. I personally had the opportunity to speak with Senator Sarah Anthony about what we needed in the education budget.
- We are fortunate in Waverly that we do have a healthy savings account (fund balance) – So in the event of a short-term government shut down - our savings along with some timely tax revenue collections – we will be OK. We will be able to carry on as normal.
- However, I would argue that this is a self-imposed crisis by our state government. The House and Senate have not been able to come to an agreement and as a result we have this problem – I would very much like to avoid spending any of our hard-earned savings in this way. So I encourage all of us to reach out to our legislators to urge them to pass a state budget that is supportive for K-12 education before October 1.

Sinking Fund Renewal

- On November 4 election ballot, 2025 WCS will seek a Sinking Fund Renewal from our voters. This no tax increase renewal will fund district infrastructure improvements and maintenance for the next 10 years. We are currently working on an informational flyer to go out to the 48917-voting area before ballots go out to voters at the end of this month. We will also run an informational “blurb” in the Delta Township newsletter.

Advance Peace

- Advance Peace is a community-based violence prevention program that focuses on reducing gun violence by engaging with individuals most at risk of being involved in firearm related incidents. The program follows a public health approach treating gun violence as a preventable issue rather than solely a law enforcement issue.
 - We have contracted Advance Peace to be involved at WHS.
 - I would like them to come present at our October 20 Board Meeting.
 - Thank you to Shawn Lewis for spearheading this effort!

Reminder

- No School for students Friday, September 19. This is a professional learning day for our staff.

WAVERLY COMMUNITY SCHOOLS
BOARD OF EDUCATION
REGULAR MEETING
October 20, 2025

Report #25-19

Subject: Personnel Report
All individuals listed on this report have completed the required background check

A. Employment – Administrator

<u>Name</u>	<u>Position</u>	<u>Building</u>	<u>Salary</u>	<u>Effective</u>
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B. Employment – Certified

<u>Name</u>	<u>Position</u>	<u>Building</u>	<u>Salary</u>	<u>Effective</u>
Emily Escue	Spec Ed Teacher	Winans	BA Step 5/\$51,948	9/15/2025
Ezekiel Moreno	School Counselor	High School	MA Step 11/\$72,496	9/29/2025
Katelin daCruz	504 & Child Study Co	District q	MA45 Step 13/\$84,540	10/6/2025

C. Employment – Non-Certified

<u>Name</u>	<u>Position</u>	<u>Building</u>	<u>Salary</u>	<u>Effective</u>
Angelica Phetsavong	FS3 Food Service Lunch Aide	Winans	\$14.15/hr	9/11/2025
Kerry Keyton	Spec Ed Para Educator	High School	\$21.92/hr	9/22/2025
Taryn McCarthy	Spec Ed Para Educator	High School	\$21.92/hr	9/22/2025
Miranda Hinton	FS3 Food Service Lunch Aide	Elmwood	\$15.15/hr	9/30/2025
Brianna Milam	Spec Ed Para Educator	Colt ECEC	\$19.25/hr	10/1/2025

D. Resignation – Certified

<u>Name</u>	<u>Position</u>	<u>Building</u>	<u>Effective</u>
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E. Resignation – Non-Certified

<u>Name</u>	<u>Position</u>	<u>Building</u>	<u>Effective</u>
Freddie Green	SE Para Educator	High School	9/24/2025
Tabatha Elkins	FS3 Food Service	Colt ECEC	10/10/2025
Jeremy Neff	2 nd Shift Custodian	Middle School	10/10/2025

F. Staff Transfer

<u>Name</u>	<u>From Position</u>	<u>To Position</u>	<u>Effective</u>
Seth Brown	Elmwood 2 nd Shift Class C Custodian	HS 2 nd Shift Class C Custodian	9/15/2025
Marisol Glasscoe	Winans 2 nd Shift Class C Custodian	Elmwood 2 nd Shift Class C Custodian	9/15/2025
Cody Fronczak	HS 2 nd Shift Class C Custodian	Winans 2 nd Shift Class C Custodian	9/29/2025

G. Retirement – Administration

<u>Name</u>	<u>Position</u>	<u>Building</u>	<u>Effective</u>
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H. Retirement – Certified

<u>Name</u>	<u>Position</u>	<u>Building</u>	<u>Effective</u>
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I. Retirement – Non-Certified

Name

Position

Building

Effective

J. Termination

Name

Position

Building

Effective

Seaira Pitts

Spec Ed Para Educator

Winans

9/19/2025

**WAVERLY COMMUNITY SCHOOLS
BOARD OF EDUCATION
REGULAR BOARD MEETING
OCTOBER 20, 2025**

FOR ACTION***

Subject:

Finance Report

Recommendation:

The Superintendent recommends the Board of Education review and approve the following report:

Financial Report:

The cash balance as of August 31, 2025, was \$6,592,974.62. Receipts during September, consisting of property taxes and other revenues/transfers-in in the amount of \$12,955,482.67 minus disbursements during September of \$12,591,873.45, left the district with a General Fund cash balance, as of September 30, 2025, of \$6,956,583.84.

2025-26 General Fund expenditures/transfers-out exceed revenues/transfers-in by \$1,657,161. A summary of year-to-date activity in comparison to the budget is included in the supporting documentation.

2025-26 Student Activity Fund revenues/transfers-in exceed expenditures/transfers-out by \$11,474. A summary of year-to-date activity in comparison to the budget is included in the supporting documentation.

2025-26 Sinking Fund revenues exceed expenditures by \$491,810. A summary of year-to-date activity in comparison to the budget is included in the supporting documentation.

2025-26 Public Improvement Fund expenditures/transfers-out exceed revenues/transfers-in by \$232,386. A summary of year-to-date activity in comparison to the budget is included in the supporting documentation.

The balance of the 2022 Building and Site, Series I Bonds remaining to be allocated, including \$3,753,473 of accrued interest/change in market value, is \$921. A summary of life-to-date activity is included in the supporting documentation

The balance of the 2024 Building and Site, Series II Bonds remaining to be allocated, including \$3,490,357 of accrued interest/change in market value, is \$8,122,827. A summary of life-to-date activity is included in the supporting documentation

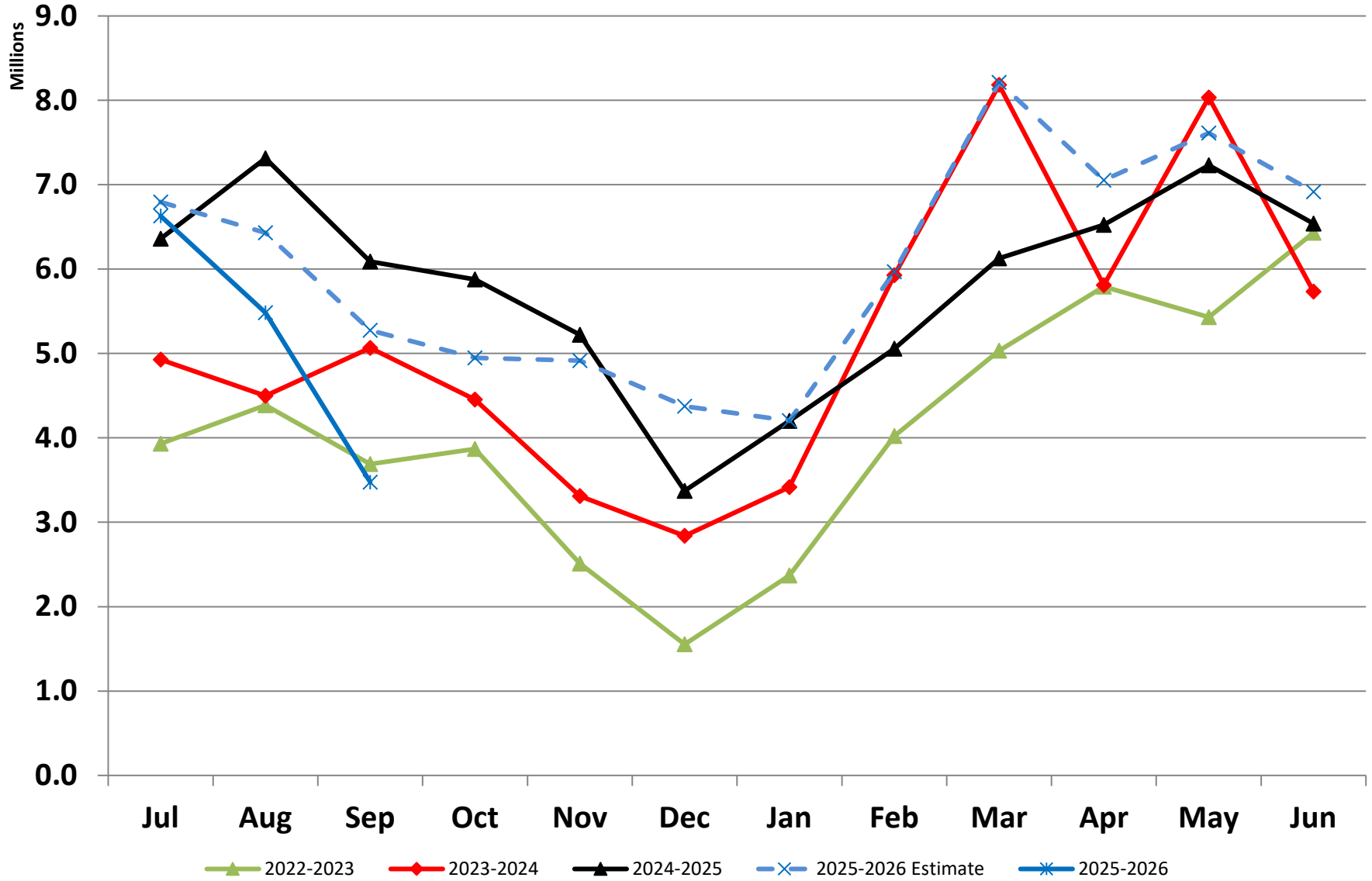
Waverly Community Schools

Finance Committee - Cash Position Report

For the Month Ended September 30, 2025

Balance on Hand August 31, 2025	6,592,974.62
Revenues	
State Aid	-
Taxes	3,363,705.81
Other Revenue	259,605.31
Interfund Transfers In	9,332,171.55
State Aid Note Proceeds	-
	<u>12,955,482.67</u>
Disbursements	
Payroll and Related Liabilities	(2,933,606.78)
Other Expenditures	(9,384,245.24)
State Aid Repayment	-
	<u>(12,317,852.02)</u>
Prior Month Adjustments - September 2025	(274,021.43)
Balance on Hand September 30, 2025	<u><u>6,956,583.84</u></u>
PNC Bank - General	6,104,404.50
MILAF	579,842.12
PNC Bank - Payroll	272,337.22
Comerica - Checking	-
	<u><u>6,956,583.84</u></u>
Difference	-

Waverly Community Schools Cash Flow Analysis (Monthly Lows)



Waverly Community Schools
General Fund - Budgetary Comparison Schedule
For the Month Ended September 30, 2025

	Original Budget	Actual	Over (Under) Budget	% Available
Revenue				
Local sources	10,745,037	4,189,561	(6,555,476)	61.0%
State sources	32,559,556	1,535,070	(30,972,656)	95.3%
Federal sources	781,175	121	(781,054)	100.0%
Intergovernmental	4,773,209	(121)	(4,773,330)	100.0%
Transfers In	125,000	-	(125,000)	100.0%
Total revenue	48,983,977	5,724,631	(43,207,517)	88.3%
Expenditures				
Current:				
Instruction:				
Basic program	16,923,805	2,450,911	(14,555,317)	85.6%
Added needs	10,081,124	976,664	(8,924,099)	90.1%
Total instruction	27,004,929	3,427,575	(23,479,416)	87.3%
Support Services:				
Pupil	4,069,536	446,432	(3,635,218)	89.1%
Instructional staff	2,873,618	498,673	(2,558,415)	83.7%
General administration	460,807	148,663	(338,961)	69.5%
School administration	3,286,120	596,461	(2,718,952)	82.0%
Business	699,187	182,629	(525,092)	74.2%
Operations and maintenance	4,857,683	1,103,093	(3,674,333)	76.9%
Pupil transportation services	1,497,907	269,211	(1,285,832)	82.7%
Central	1,187,298	400,014	(796,601)	66.6%
Other	326,967	78,817	(248,855)	75.9%
Total support services	19,259,123	3,723,993	(15,782,259)	80.9%
Athletics	745,363	130,647	(640,673)	83.1%
Community services	-	-	-	0.0%
Welfare Activities	-	-	-	0.0%
Non Publics	13,608	-	(13,608)	100.0%
Facility Acquisition	-	-	-	0.0%
Debt service:				
Principal	-	-	-	0.0%
Interest	-	-	-	0.0%
Capital outlay	2,000	34,808	14,939	-75.2%
Payments to other public schools	1,852,471	64,770	(1,787,701)	96.5%
Total expenditures	48,877,494	7,381,792	(41,688,719)	85.0%
Excess of Revenue (Under)Over Expenditures	106,483	(1,657,161)	(1,518,798)	
Transfers Out	1,100,000	-	(1,100,000)	100.0%
Change in Fund Balance	(993,517)	(1,657,161)	(418,798)	
Favorable Expenditure Variance (1.5%)	733,162			
Projected Change in Fund Balance	(260,354)			
Fund Balance - Beginning of year	10,043,259			
Fund Balance - End of year	9,782,905			20.0%

Waverly Community Schools
Student Activity Fund - Budgetary Comparison Schedule
For the Month Ended September 30, 2025

	Original Budget	Actual	Over (Under) Budget	% Available
Revenue				
Local sources	172,456	34,674	(137,783)	79.9%
State sources	-	-	-	0.0%
Federal sources	-	-	-	0.0%
Intergovernmental	-	-	-	0.0%
Transfers In	-	-	-	0.0%
Total revenue	172,456	34,674	(137,783)	79.9%
Expenditures				
Student Activities	108,104	9,110	(98,993)	91.6%
Athletics	58,298	14,090	(44,208)	75.8%
Total expenditures	166,401	23,200	(143,201)	86.1%
Excess of Revenue (Under)Over Expenditures	6,055	11,474	5,419	
Transfers Out	-	-	-	0.0%
Change in Fund Balance	6,055	11,474	5,419	
Fund Balance - Beginning of year	364,713			
Fund Balance - End of year	370,768			

Waverly Community Schools
Sinking Fund - Budgetary Comparison Schedule
For the Month Ended September 30, 2025

	Original Budget	Actual	Over (Under) Budget	% Available
Revenue				
Local sources	1,218,543	489,700	(728,843)	59.8%
State sources	-	2,110	2,110	0.0%
Federal sources	-	-	-	0.0%
Intergovernmental	-	-	-	0.0%
Transfers In	-	-	-	0.0%
Total revenue	1,218,543	491,810	(726,733)	59.6%
Expenditures				
Current:				
Support Services - Business	-	-	-	0.0%
Support Services - Central	-	-	-	0.0%
Facilities Acquisition, Construction and Improvements:				
Site Acquisition Services	-	-	-	0.0%
Site Improvement Services	-	-	-	0.0%
Architecture and Engineering Services	-	-	-	0.0%
Building Acquisition and Construction Services	-	-	-	0.0%
Building Improvement Services	-	-	-	0.0%
Other Acquisition and Construction Services	-	-	-	0.0%
Total expenditures	-	-	-	0.0%
Excess of Revenue (Under)Over Expenditures	1,218,543	491,810	(726,733)	
Transfers Out	-	-	-	
Net Change in Fund Balance	1,218,543	491,810	(726,733)	
Fund Balance - Beginning of year	5,398,905			
Fund Balance - End of year	6,617,448			

Waverly Community Schools
Public Improvement Fund - Budgetary Comparison Schedule
For the Month Ended September 30, 2025

	Original Budget	Actual	Over (Under) Budget	% Available
Revenue				
Local sources	30,000	13,381	(16,619)	55.4%
State sources	-	-	-	0.0%
Federal sources	-	-	-	0.0%
Intergovernmental	-	-	-	0.0%
Transfers In	1,100,000	-	(1,100,000)	100.0%
Total revenue	1,130,000	13,381	(1,116,619)	98.8%
Expenditures				
Current:				
Support Services - Business	-	-	-	0.0%
Support Services - Operations and Maintenance	-	-	-	0.0%
Support Services - Transportation	-	288,910	288,910	0.0%
Support Services - Central	-	-	-	0.0%
Facilities Acquisition, Construction and Improvements:				
Site Acquisition Services	-	-	-	0.0%
Site Improvement Services	-	-	-	0.0%
Architecture and Engineering Services	-	-	-	0.0%
Building Acquisition and Construction Services	-	-	-	0.0%
Building Improvement Services	-	(43,142)	(43,142)	0.0%
Other Acquisition and Construction Services	-	-	-	0.0%
Total expenditures	-	245,768	245,768	0.0%
Excess of Revenue (Under)Over Expenditures	1,130,000	(232,386)	(1,362,386)	
Transfers Out	-	-	-	
Net Change in Fund Balance	1,130,000	(232,386)	(1,362,386)	
Fund Balance - Beginning of year	1,197,935			
Fund Balance - End of year	2,327,935			

Waverly Community Schools

2022 Building and Site Bonds, Series I

Budget Summary

As of September 30, 2025

	Budget	Actual	Encumbered	Balance Remaining
Construction				
New Construction	-	617,433	-	(617,433)
Remodeling	42,222,284	40,704,389	0	1,517,895
Site Improvements	4,041,042	6,360,301	0	(2,319,259)
Construction Base Budget Subtotal	46,263,326	47,682,123	1	(1,418,798)
Instructional Technology				
Computers and Mobile Devices	1,468,271	1,621,294	(0)	(153,023)
Audio / Visual	1,834,372	1,044,900	(0)	789,472
Instructional Technology Subtotal	3,302,643	2,666,194	(0)	636,449
Loose Furnishings and Equipment				
Non-Instructional Computers and Mobile Devices	73,904	-	-	73,904
Non-Instructional Audio / Visual	-	-	-	-
Furnishings, Fixtures and Equipment (FF&E)	4,021,389	2,610,964	0	1,410,425
Loose Furnishings and Equipment Subtotal	4,095,293	2,610,964	0	1,484,329
District				
Buses	449,946	-	-	449,946
Contingency	(128,900)	38,928	0	(167,828)
Election/Issuance Costs	839,463	258,448	-	581,015
General Conditions	994,618	1,476,274	0	(481,656)
Architect and Engineering Fees	3,011,715	5,336,512	(0)	(2,324,797)
A/E Reimbursables	431,821	880,406	(0)	(448,585)
Technology Design	393,305	549,787	(0)	(156,482)
Construction Mgr	3,050,990	4,252,870	(0)	(1,201,880)
District Subtotal	9,042,958	12,793,226	(0)	(3,750,267)
Bank Interest/Proceeds	(704,265)	(3,753,473)	-	3,049,208
Totals	61,999,956	61,999,035	0	921
Underwriters Discount	454,800	454,800	-	-
Grand Total	62,454,756	62,453,835	0	921

Waverly Community Schools

2022 Building and Site Bonds, Series II

Budget Summary

As of September 30, 2025

	Budget	Actual	Encumbered	Balance Remaining
Construction				
New Construction	17,777,036	1,242,490	1,227,703	15,306,843
Remodeling	21,988,212	10,339,668	29,587,562	(17,939,018)
Site Improvements	2,577,343	1,087,334	635,011	854,998
Construction Base Budget Subtotal	42,342,591	12,669,492	31,450,276	(1,777,177)
Instructional Technology				
Computers and Mobile Devices	598,414	31,627	10,609	556,178
Audio / Visual	974,132	291,349	431,169	251,614
Instructional Technology Subtotal	1,572,546	322,976	441,778	807,792
Loose Furnishings and Equipment				
Non-Instructional Computers and Mobile Devices	272,130	-	-	272,130
Non-Instructional Audio / Visual	290,215	-	190,986	99,229
Furnishings, Fixtures and Equipment (FF&E)	1,912,269	1,036,739	476,642	398,888
Loose Furnishings and Equipment Subtotal	2,474,614	1,036,739	667,628	770,247
District				
Buses	674,918	-	-	674,918
Contingency	2,605,464	-	2,973,263	(367,799)
Election/Issuance Costs	829,463	252,597	-	576,866
General Conditions	1,055,897	420,516	564,822	70,559
Architect and Engineering Fees	2,775,410	176,575	411,847	2,186,988
A/E Reimbursables	462,568	59,265	71,588	331,715
Technology Design	251,083	54,979	39,622	156,482
Construction Mgr	3,238,964	425,287	1,611,797	1,201,880
District Subtotal	11,893,767	1,389,218	5,672,940	4,831,609
Bank Interest/Proceeds	(283,526)	(3,773,883)	-	3,490,357
Totals	57,999,992	11,644,543	38,232,622	8,122,827
Underwriters Discount	1,154,642	1,154,642	-	1
Grand Total	59,154,634	12,799,184	38,232,622	8,122,827

Waverly Community Schools
Building and Site Bonds - May 2021 Authorization
Budget Summary - All Series
As of September 30, 2025

	Budget	Actual	Encumbered	Balance Remaining
Construction				
New Construction	17,777,036	1,859,923	1,227,703	14,689,410
Remodeling	65,751,327	51,044,057	29,587,562	(14,880,292)
Site Improvements	7,070,299	7,447,635	635,011	(1,012,347)
Construction Base Budget Subtotal	90,598,663	60,351,615	31,450,277	(1,203,229)
Instructional Technology				
Computers and Mobile Devices	3,943,267	1,652,921	10,609	2,279,737
Audio / Visual	2,808,504	1,336,249	431,168	1,041,086
Instructional Technology Subtotal	6,751,771	2,989,171	441,777	3,320,823
Loose Furnishings and Equipment				
Non-Instructional Computers and Mobile Devices	618,614	-	-	618,614
Non-Instructional Audio / Visual	290,215	-	190,986	99,229
Furnishings, Fixtures and Equipment (FF&E)	6,012,398	3,647,703	476,642	1,888,053
Loose Furnishings and Equipment Subtotal	6,921,227	3,647,703	667,628	2,605,895
District				
Buses	1,124,864	-	-	1,124,864
Contingency	2,655,906	38,928	2,973,264	(356,285)
Election/Issuance Costs	1,787,689	511,045	-	1,276,644
General Conditions	2,099,386	1,896,789	564,823	(362,226)
Architect and Engineering Fees	5,901,198	5,513,088	525,919	(137,809)
A/E Reimbursables	913,401	939,671	72,992	(99,262)
Technology Design	817,208	604,766	225,992	(13,550)
Construction Mgr	6,439,865	4,678,157	1,695,071	66,637
District Subtotal	21,739,517	14,182,444	6,058,061	1,499,013
Bank Interest/Proceeds	(1,011,178)	(7,527,356)	-	6,516,178
Totals	125,000,000	73,643,578	38,617,743	12,738,679
Underwriters Discount	1,609,442	1,609,442	-	1
Grand Total	126,609,442	75,253,019	38,617,743	12,738,680

Finance/Facilities Committee

Meeting Minutes – September 15, 2025 @ 4:00pm

Members Present:, Mrs. Catherine Pike – Chairperson, Ms. Alicia Guevara

Members Absent: Ms. Andrea Torres

Staff Present: Mr. Glenn Mitcham – Superintendent, Mr. Evan Nuffer – Director of Finance and Operations

Others Present: none

Old Business

none

New Business

Finance – The committee discussed the status of the School Aid Fund Budget. Currently there is no movement in the legislature on the budget. Mr. Nuffer expressed confidence that the District will be able to meet any short-term cash obligations in the event of a State government shutdown during the month of October.

Mr. Nuffer provided a brief overview of the draft financial statements. There were no findings of any significant deficiencies or material misstatements for the year ended June 30, 2025. Plante Moran will be issuing a “clean” audit with an unmodified opinion, the highest opinion that auditors can provide with respect to our financial statements. In the General Fund, the fund balance at year end was \$10.0 million or approximately 21% of operating expenditures.

Facilities – Mr. Nuffer led the committee on a tour of the Middle School to review the construction progress. The tour included several classrooms, hallways, media center and cafeteria. The committee also inspected the progress of the new main entrance and single stall restrooms which were still under construction.

Technology – none

Other – none

Meeting adjourned at 5:05p.m. Next meeting is scheduled for November 17, 2025 at 4:00pm.

Notes from Teaching and Learning Committee Meeting
September 17, 5:00 pm

Present:

Christopher Huff

Glenn Mitcham

Cathy Pike

MSTEP & PSAT results were reviewed from the 2025 spring testing. The results are used to help determine the School Index which measures a school's academic growth, proficiency, attendance rates, test participation and graduation rates. This is the state's school accountability system.

The data for these reports can be found at: www.mischooldata.org

The committee was also updated on progress toward establishing a comprehensive and consistent approach to literacy and math instruction.

Literacy - This year's focus in literacy will be in foundational writing. We will be partnering with the ISD as well as Michigan State University for training in writing instruction and assessment. All K-4 buildings participated in a Data Day during the September 19th professional development. Current student reading abilities were reviewed and plans for explicit instruction to increase student reading skills were discussed.

Math - This is the first year for the implementation of the new K-8 math program from enVision Math. A key concept being utilized is that of Productive Struggle. This is the process by which students actively and purposefully work through challenging, but achievable tasks to build a deep understanding of problem solving skills. This process fosters a growth mindset and increased confidence on the part of the student.

Curriculum Adoptions - This year's curriculum adoption cycle will focus on a review of the K-4 social studies and K-8 science programs. Once again, staff committees will be reviewing options and making recommendations for any new adoptions.

Next meeting: November 17, 2025

Many thanks to Mr. Huff for providing this information.

**WAVERLY COMMUNITY SCHOOLS
BOARD OF EDUCATION
REGULAR BOARD MEETING
OCTOBER 20, 2025
Report #25-21**

FOR ACTION ***

Subject:

Summer Tax Collection Resolution

Recommendation:

The Superintendent recommends the Board of Education adopt the Annual Summer Tax Resolution, invoking for 2026 its previously adopted, ongoing resolution imposing a summer tax levy of one-half (1/2) of school property taxes upon property located within the School District. A copy will be affixed to the official minutes of this meeting.

Statement of Purpose:

Adoption of the summer tax collection resolution will allow local units of government to collect summer property taxes for the District.

Budget Impact:

If the resolution is not adopted, the district may not be able to collect summer taxes. This would create cash flow problems as well as added expense in interest and legal fees.

Historical Perspective:

By January 1st of each year, the school district is required to notify the various taxing authorities of the intention to request collection of summer taxes.

Through correspondence from the school district's legal counsel, it has been suggested that the district adopt a resolution to meet legal requirements of School Code Section 1613, more particularly, 1982 P.A. 333 (Summer Tax Collection Statute).

A Michigan Court of Appeals decision has been issued "...Where a school board has adopted an ongoing resolution establishing summer tax collection, the board is required each year, before January 1, to take official action invoking the previously adopted resolution to collect the summer tax levy by requesting each township and city to collect. The ongoing resolution eliminates the yearly need to publish notice of a public meeting to institute a summer tax levy...".

Discussion of Options:

The Board may entertain a motion to adopt the resolution as presented or reject the resolution. If the resolution is rejected the District will only levy property taxes for the winter tax levy.

Rationale for Proposal:

It is necessary to adopt this resolution to allow for the collection of summer property taxes, which will aid the District in cash flow.

Strategic Plan Reference:

Strategy #2 – Communication: We will enhance communications within the district and with the community to improve relationships among all key constituent groups to better achieve our mission.

WAVERLY COMMUNITY SCHOOLS
ANNUAL SUMMER TAX RESOLUTION

Ingham, Eaton, and Clinton Counties, Michigan

A regular meeting of the Board of Education of said District was held at the Administrative Center, 515 Snow Road, Lansing, Michigan, in said District, on the 20th day of October 2025, at 6:00 o'clock p.m.

The meeting was called to order by _____.

PRESENT:

ABSENT:

The following preamble and resolution were offered by Member _____ and supported by Member _____.

WHEREAS, this Board of Education by resolution of January 26, 1983, determined to impose a summer property tax levy to collect one-half (1/2) of school property taxes, including debt services, upon property located within the School District, beginning with 1983 and continuing from year to year until specifically revoked by the Board of Education.

NOW THEREFORE, BE IT RESOLVED THAT:

1. This Board of Education, pursuant to 1976 PA 451, as amended, hereby invokes for 2026 its previously adopted ongoing resolution imposing a summer tax levy of one-half (1/2) of school property taxes, including debt service, beginning with 1983, and continuing from year to year until specifically revoked by this Board of Education, and requests each city and/or township in which this District is located to collect those summer taxes.
2. The Superintendent or designee is authorized and directed to forward to the governing body of each city and/or township in which this district is located, a copy of this Board's resolution imposing a summer property tax levy on an ongoing basis and a copy of this resolution requesting that each such city and/or township agree to collect the summer tax levy for 2026 in the amount specified in this resolution. Such forwarding of the resolutions and the request to collect the summer tax levy shall be sent so that the appropriate governing bodies receive them before January 1, 2026.
3. The Superintendent or designee is authorized and directed to negotiate on behalf of this District, with the governing body of each city and/or township in which the District is located for the reasonable expenses for collection of the District's summer tax levy that the city and/or township may bill under MCLA 380.1611 or MCLA 380.1612. Any such property agreement shall be brought before this Board for its approval or disapproval.
4. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are and the same are hereby rescinded.

Ayes:

Nays:

Absent:

RESOLUTION DECLARED ADOPTED.

**Vince Perkins, Secretary
Waverly Community Schools
Board of Education**

The undersigned, duly qualified Secretary of the Board of Education of Waverly Community Schools of Lansing, Michigan, hereby certifies that the foregoing constitutes a true and complete copy of a resolution adopted by said Board of Education at a regular meeting held on October 20, 2025, the original of which is part of the Board's official minutes. The undersigned further certifies that notice of the meeting was given to the public pursuant to the provisions of the "Open Meetings Act" (Act 267, PA 1976, as amended).

**Vince Perkins, Secretary
Waverly Community Schools
Board of Education**

**WAVERLY COMMUNITY SCHOOLS
BOARD OF EDUCATION
REGULAR BOARD MEETING
OCTOBER 20, 2025**

Report #25-22

FOR ACTION

Subject:

Powerschool Litigation Resolution

Recommendation:

The Superintendent recommends the Board of Education approve the resolution to join the lawsuit against PowerSchool Holdings, Inc., Powerschool Group, LLC, and related defendants concerning the December 2024 PowerSchool data breach, specifically MDL No. 3149 in the United States District Court for the Southern District of California

Statement of Purpose:

Schools that join the litigation will be represented by Frantz Law Group, APLC, a California professional law corporation, and will need to respond to a questionnaire and produce requested documents. Frantz estimates school staff involvement in the litigation will not exceed 10 hours throughout the entire litigation. Frantz does not expect that any school Board members, administrators, or staff will be required to appear in court or to participate in depositions.

Budget Impact:

Frantz is seeking past and future expenses related to the data breach (e.g., staff time and legal expenses), future expenses related to platform changes and data migration, reimbursement for amounts paid to PowerSchool, and – importantly – indemnity from PowerSchool for any future litigation against the school by a person impacted by the breach.

Historical Perspective:

Frantz Law Group currently represents the District in a lawsuit against various insulin manufacturers, pharmacy benefit managers, and other defendants accused of artificially inflating insulin prices at the expense of employers and health plan entities.

Frantz Law Group has previously represented the District and secured a recovery against Juul Labs and other vaping product defendants in the amount of \$51,708. Frantz also represented the District and secured a recovery against Altria in connection with the design, manufacture, production, advertisement, marketing, distribution, sale and performance of JUUL products in the amount of \$10,379

Discussion of Options:

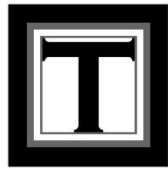
The Board of Education can adopt the resolution as presented, reject the resolution or table the resolution for further discussion.

Rationale for Recommendation:

It is in the Districts best interest to take such action to obtain monetary damages and indemnity from PowerSchool for any future litigation against the school by a person impacted by the breach, however a recovery in the litigation is not guaranteed.

Strategic Plan Reference:

As the heart of the community, our mission is to educate and prepare each student to achieve her or his academic best, develop character, become a lifelong learner and contribute as a citizen of our global society.



JEFFREY J. SOLES
MICHAEL D. GRESENS
CHRISTOPHER J. IAMARINO
RAYMOND M. DAVIS
MICHELE R. EADDY
KIRK C. HERALD
ROBERT A. DIETZEL

KATHERINE WOLF BROADDUS
DANIEL R. MARTIN
JENNIFER K. STARLIN
TIMOTHY T. GARDNER, JR.
IAN F. KOFFLER
FREDRIC G. HEIDEMANN
RYAN J. NICHOLSON

CRISTINA T. PATZELT
PHILIP G. CLARK
PIOTR M. MATUSIAK
JESSICA E. MCNAMARA
RYAN J. MURRAY
ERIN H. WALZ
MACKENZIE D. FLYNN

KATHRYN R. CHURCH
MARYJO D. BANASIK
CATHLEEN M. DOOLEY
KELLY S. BOWMAN
BRIAN D. BAAKI
AUSTIN W. MUNROE

GORDON W. VANWIEREN, JR. (OF COUNSEL)
LISA L. SWEM (OF COUNSEL)
ROY H. HENLEY (OF COUNSEL)
BRADFORD W. SPRINGER (OF COUNSEL)

September 30, 2025

Re: PowerSchool Litigation

Dear Retainer Client:

Schools nationwide are joining a lawsuit against PowerSchool and related defendants concerning the December 2024 PowerSchool data breach and PowerSchool’s alleged contract breaches, specifically MDL No. 3149 in the United States District Court for the Southern District of California (“Lawsuit”). According to Frantz Law Group, a California law firm representing schools in that litigation, PowerSchool hackers claim to possess data of 62.4 million students and 9.5 million teachers. That data includes names, addresses, phone numbers, emails, medical information, and social security numbers.

Frantz informed us that Michigan schools that used PowerSchool in December 2024, but that do not directly join the Lawsuit, are expected to be lumped into a class action, which has been defined as “all school districts in the United States who are PowerSchool users.” Meaning, such schools are likely to be impacted by the PowerSchool litigation regardless whether they take any action – they will either directly join the Lawsuit or receive notification about defaulting into a class action settlement.

The class action notification is likely to contain a narrow window for a school to opt out of the class action settlement to preserve any potential claims against PowerSchool. A financial recovery for a school in the class action is also expected to be substantially lower than for a school that directly joins the Lawsuit. Joining the Lawsuit will exempt a school from being lumped into the class action.

The universe of schools impacted by the PowerSchool data breach is not yet known – it is likely that many schools have been impacted by the breach but do not know it yet. The Lawsuit alleges several claims, including negligence, breach of contract, fraudulent misrepresentation, and statutory violations.

In terms of a recovery for schools, Frantz is seeking past and future expenses related to the data breach (e.g., staff time and legal expenses), future expenses related to platform changes and data migration, reimbursement for amounts paid to PowerSchool, and – importantly – indemnity from PowerSchool for any future litigation against the school by a person impacted by the breach.

A school that used PowerSchool in December 2024 is eligible to join the Lawsuit even if it was not directly impacted by the PowerSchool data breach. Frantz informed us that the fee charged by PowerSchool for its services included data security costs, and hence schools overpaid for PowerSchool services when their data was not secured, regardless whether those security



PowerSchool Litigation
September 30, 2025
Page 2 of 2

deficiencies resulted in a data breach. A PowerSchool user not directly impacted by the data breach is also eligible for funds related to statutory data security violations.

Frantz will seek a court order restricting discovery to a questionnaire. Until that order is granted, however, schools in the Lawsuit will be required – with assistance from Frantz – to respond to written questions and document requests from the defendants. Frantz estimates that staff time for schools that join the Lawsuit will not exceed 10 hours. Frantz informed us that it does not expect that staff will be required to appear in court or to participate in depositions.

The terms for participating in the Lawsuit are detailed in the enclosed Attorney-Client Fee Contract, which has already been reviewed by our firm. Frantz will represent schools on a contingency fee basis, meaning Frantz will not charge any fees or costs unless there is a financial recovery. Frantz will receive 30% of any recovery. Thrun will receive a portion of Frantz's 30%. If there is a recovery, schools will also reimburse Frantz out of the recovery for costs incurred by Frantz during the Lawsuit, such as court filing costs and expert witness fees.

A recovery in the Lawsuit is not guaranteed. Thrun is not co-counsel in the Lawsuit – our role is limited to referring clients to Frantz.

To join the Lawsuit, your school needs to approve the enclosed resolution and contract. Areas highlighted in teal in those documents should be completed prior to signature.

Signed resolutions - and signed and initialed contracts - should be returned as soon as possible (but no later than December 31, 2025) to pmatusiak@thrunlaw.com. If you would like more information about the litigation, please contact Piotr Matusiak at pmatusiak@thrunlaw.com or call (517) 374-8824.

Thrun Law Firm, P.C.

This client communication is intended to provide helpful information on school law topics and is not intended as legal advice or opinion for specific facts, matters, situations, or issues. Legal counsel should be consulted about the application of this information to a specific circumstance or situation.

POWERSCHOOL LITIGATION RESOLUTION

A regular meeting of the Waverly Community Schools (“School”) Board of Education (the “Board”) was held on the 20th day of October, 2025 at the following time: 6 o’clock p.m. (“Meeting”).

The Meeting was called to order by _____

Present:

Absent:

The following preamble and resolution were offered by Member _____ and supported by Member _____.

WHEREAS:

1. Schools nationwide are joining a nationwide lawsuit against PowerSchool Holdings, Inc., Powerschool Group, LLC, and related defendants concerning the December 2024 PowerSchool data breach, specifically MDL No. 3149 in the United States District Court for the Southern District of California (“Lawsuit”).

2. Schools in the Lawsuit are being represented by Frantz Law Group, APLC, a California professional law corporation (“Frantz”).

3. Thrun Law Firm, P.C. referred the School to Frantz for the Lawsuit.

4. The Board believes it is in the School’s best interests to join the Lawsuit on the terms specified in the attached Attorney-Client Fee Contract.

5. The Board believes it is in the School’s best interests to authorize and direct its Superintendent or designee to sign the attached Attorney-Client Fee Contract on behalf of the School and to take such other action as necessary to obtain monetary damages for the School in the Lawsuit, subject to review by the School’s legal counsel.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Board decides to join the Lawsuit on the terms specified in the attached Attorney-Client Fee Contract.

2. The Board authorizes and directs its Superintendent or designee to sign the attached Attorney-Client Fee Contract on behalf of the School and to take such other action as necessary to obtain monetary damages and injunctive relief for the School in the Lawsuit, subject to review by the School’s legal counsel.

3. All resolutions and parts of resolutions that conflict with the provisions of this resolution are rescinded.

Ayes:

Nays:

Absent:

Motion Passed:

Vincent Perkins, Board Secretary

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

Vincent Perkins, Board Secretary

Date: _____, 202__

ATTORNEY-CLIENT FEE CONTRACT

The ATTORNEY-CLIENT FEE CONTRACT (“Agreement”) is entered into by and between Waverly Community Schools, whose address is 515 Snow Road, Lansing, MI 48917 (“Client”) and Frantz Law Group, APLC, a California professional law corporation (“Attorneys” or “We”) and encompasses the following provisions:

1. **CONDITIONS.** This Agreement will not take effect, and Attorneys will have no obligation to provide legal services, until Client returns a signed copy of this Agreement.
2. **AUTHORIZED REPRESENTATIVES**
 - A. **CLIENT REPRESENTATIVES.** Client designates its Superintendent, or designee, as the authorized representatives to direct Attorneys and to be the primary individuals to communicate with Attorneys regarding the subject matter of Attorneys’ representation of Client under this Agreement. The designation is intended to establish a clear line of authority and to minimize potential uncertainty but not to preclude communication between Attorneys and other representatives of Client.
 - B. **ATTORNEY REPRESENTATIVES.** James Frantz, William Shinoff, and Regina Bagdasarian of Frantz Law Group, APLC will be primarily responsible for the work, either performing it himself/herself or delegating it to others as may be appropriate. The Client shall have the right to approve or veto the involvement of each of the attorneys on its cases. Attorneys will be added or deleted from the list only upon prior Client approval.
3. **SCOPE AND DUTIES.** Client hires Attorneys to provide legal services in connection with pursuing claims for damages associated with the Powerschool litigation, specifically MDL No. 3149 in the United States District Court for the Southern District of California (“Action”). Attorneys shall provide those legal services reasonably required to represent Client, and shall take reasonable steps to keep Client informed of progress and to respond to Client’s inquiries. Client shall be truthful with Attorneys, cooperate with Attorneys, and keep Attorneys informed of developments. Attorneys will assist in negotiating liens, but will not litigate them.
4. **LEGAL SERVICES SPECIFICALLY EXCLUDED.** Unless otherwise agreed in writing by Client and Attorneys, Attorneys will not provide legal services with respect to (a) defending any legal proceeding or claim against the Client commenced by any person unless such proceeding or claim is filed against the Client in the Action or (b) proceedings before any federal or state administrative or governmental agency, department, or board. With Client’s permission, however, Attorneys may elect to appear at such administrative proceedings to protect Client’s rights. If Client wishes to retain Attorneys to provide any legal services not provided under this Agreement for additional compensation, a separate written agreement between Attorneys and Client will be required.

5. FEES. Client will pay attorneys' fees to Attorneys of thirty percent (30%) of any monetary settlement or recovery that Attorneys obtain for Client, provided that such fee will be paid only by money recovered from defendants in the Action (collectively, the "Total Fee"). Thrun, Maatsch and Nordberg, P.C., a Michigan professional corporation d/b/a Thrun Law Firm, P.C. (Thrun) will receive thirty percent (30%) of the Total Fee, as discussed in more detail in Paragraph 6, below. The Action does not involve a claim or action for personal injury or wrongful death (see MCR 8.121(A)).

Fees shall be calculated on the basis of any settlement or recovery prior to the deduction of any expense or cost, the "Gross Recovery." Contingency fee rates are not set by law, but have been negotiated. If no recovery is made, no fees will be charged.

The term "Gross Recovery" shall include, without limitation, the then present value of any monetary payments agreed or ordered to be made by the adverse parties or their insurance carriers as a result of the Services, whether by settlement, arbitration award, court judgment (after all appeals exhausted), or otherwise. Any statutory Attorneys' fee paid by Defendants shall be included in calculating the Gross Recovery.

- (1) "Gross Recovery," if by settlement, also includes (1) the then-present value of any monetary payments to be made to the Client; and (2) any Attorneys' fees and costs recovered by the Client as part of any cause of action that provides a basis for such an award. "Recovery" may come from any source, including, but not limited to, the adverse parties to the Client and/or their insurance carriers and/or any third party, whether or not a party to formal litigation. The contingent fee is calculated by multiplying the recovery by the fee percentage. This calculation is performed on the gross recovery amount before the deduction of expenses as discussed above.

Gross Recovery does not contemplate nor include any amount or value for injunctive relief or for the value of an abatement remedy which may be obtained in a final arbitration award or court judgment.

- (2) The Client shall not be obligated to pay the Attorneys unless Attorneys are successful in collecting a monetary recovery on the Client's behalf as a result of the Services.
- (3) If, by judgment, the Client is awarded in the form of property or services (In Kind), the value of such property and services shall not be included for purposes of calculating the Gross Recovery.
- (4) If, by judgment, there is no money recovery and the Client receives In Kind relief, Attorneys acknowledge that Client is not obligated to pay Attorneys' fees from public funds for the value of the In Kind relief. In the event of In Kind relief, by judgment, Attorneys' sole source of recovery of contingent fees will come from a common fund or court ordered Attorney's fees.
- (5) The Client agrees the Defendant shall pay all Attorneys' fees in a settlement that includes nonmonetary value. Client understands that Attorneys have and will invest resources into prosecuting this action on behalf of the Client and agrees to make a

good faith effort to include Attorneys' Fees as part of the terms of any settlement or resolution of the Action.

It is possible that payment to the Client by the adverse parties to the Action or their insurance carrier(s) or any third-party may be deferred, as in the case of an annuity, a structured settlement, or periodic payments. In such event, gross recovery will consist of the initial lump sum payment plus the present value (as of the time of the settlement) of the total of all payments to be received thereafter. The contingent fee is calculated, as described above, by multiplying the gross recovery by the fee percentage. The Attorney's fees will be paid out of the initial lump-sum payment if there are sufficient funds to satisfy the Attorney's fee. If there are insufficient funds to pay the Attorney's fees in full from the initial lump sum payment, the balance owed to Attorney will be paid from subsequent payments to Client before there is any distribution to Client.

- A. Reasonable Fee if Contingent Fee is Unenforceable. In the event that the contingent fee portion of this Agreement is determined to be unenforceable for any reason, Client agrees to pay a reasonable fee for the services rendered. If the parties are unable to agree on a reasonable fee for the services rendered, Attorneys and Client agree to follow the procedure in Paragraph 10 below; in any event, Attorney and Client agree that the fee shall not exceed thirty percent (30%) of the gross recovery as defined in Paragraph 5.
 - B. No Fund Payments. Notwithstanding any other provision in this Agreement, including the immediately preceding paragraph, in no event will the Client be required to pay legal fees out of any fund other than the monies recovered from Defendants in this litigation. Under no circumstances shall Client general funds be obligated to satisfy the contingent Attorneys' fees as a result of this case or this contingency fee contract.
6. REFERRAL FEE. Thrun will receive thirty percent (30%) of the Total Fee if the Client meets at least one of the following:
- A. Is a Thrun retainer client.
 - B. Is not a Thrun retainer client, but adopts a resolution that says Thrun is referring the Client to Attorneys and that authorizes both joining the Action and entering into this Agreement.
 - C. Is not a Thrun retainer client, but Client was referred to Attorneys for the Action by Thrun, as reflected in a written statement from Client or Thrun.

Thrun will not bill Clients at Thrun's hourly rates for work associated with the Action.

7. COSTS AND EXPENSES. In addition to paying legal fees, Client shall reimburse Attorneys for all "costs/expenses," which includes but is not limited to the following: process servers' fees, fees fixed by law or assessed by courts or other agencies, court reporters' fees, long distance telephone calls, messenger and other delivery fees, parking, investigation expenses, consultants' fees, expert witness fees, and other similar

items, incurred by Attorneys. The costs/expenses incurred that Attorneys advance will be owed in addition to attorneys' fees and Client will reimburse those costs/expenses after Attorneys' fees have been deducted. If there is no recovery, Client will not be required to reimburse Attorneys for costs and fees. In the event a recovery is less than incurred costs/expenses, Client will not be required to reimburse Attorneys for costs/expenses, above and beyond the recovery, and fees.

SHARED EXPENSES: Client understands that Attorneys may incur certain expenses that jointly benefit multiple clients, including, for example, expenses for travel, experts, and copying. Client agrees that Attorneys shall divide such expenses equally, or pro rata, among such clients, and deduct Client's portion of those expenses from Client's share of any recovery.

FEDERAL MDL AND STATE COORDINATION COMMON BENEFIT FEES: Members of Attorneys frequently serve on plaintiffs' management or executive committees in MDL and perform work which benefits Attorneys' clients as well as clients of other attorneys involved in similar litigation. As a result, the court or courts where the cases are pending may order that Attorneys are to receive additional compensation for Attorneys time and effort which has benefitted all claimants. Compensation for this work and effort, which is known as "common benefit," may be awarded to Attorneys by a court or courts directly from the assessments paid by The Client and others who have filed claims in this litigation, and will not in any way reduce the amount of fees owed under this Agreement.

8. **LIEN.** In the event any third party attempts to lien any proceeds recovered from a recovery in this matter, Client hereby grants, and agrees, **TO THE EXTENT PERMITTED BY APPLICABLE LAW**, that Attorneys hold, a first priority and superior lien on any and all proceeds recovered from Defendants in this litigation in the amount of the Attorneys' fees and costs that the Attorneys are entitled to under this Agreement. This lien right is limited to only those monies recovered from Defendants and in no way affects any other rights of the Client in any way whatsoever.
9. **DISCHARGE AND WITHDRAWAL.**
 - A. Client may discharge Attorneys at any time. After receiving notice of discharge, Attorneys shall stop services on the date and to the extent specified by the notice of discharge, and deliver to Client all evidence, files and attorney work product for the Action. This includes any computerized indices, programs and document retrieval systems created or used for the Action.
 - B. Attorneys may withdraw with Client's consent or for good cause. Good Cause includes Client's breach of this Agreement, Client's refusal to cooperate with Attorneys, or any other fact or circumstance that would render Attorneys continuing representation unlawful or unethical. Attorneys may also discharge Client if Client at any time is dishonest with Attorneys, or fails to provide relevant information to Attorneys.

10. DISPUTE RESOLUTION: ATTORNEY and CLIENT agree that should any dispute arise between them, they must be mediated first, before any litigation is filed. Specifically any and all disputes, controversies or claims arising out of, or related to this Agreement and/or ATTORNEY'S representation of CLIENT, including claims of malpractice (collectively referred to herein as "Dispute" or "Disputes"), shall be submitted to mediation with the American Arbitration Association (AAA), which mediation shall occur at the Client's central office or another location mutually agreed to by Client and Attorney. No litigation can be filed until after this agreed-upon mediation has occurred, and any litigation filed prior to conclusion of this mediation shall be subject to dismissal, pursuant to this Agreement. Client will pay one-half of the actual cost of the mediation, but each party will be responsible for his or her own attorneys' fees and preparation costs. Any litigation relating to any Dispute shall be filed in a Michigan court with jurisdiction over the Client; any litigation filed in any other court shall be dismissed, and the party initiating such litigation shall promptly pay any attorney fees and costs incurred by the other party in defending against that litigation.
11. AUTHORITY OF ATTORNEY. Attorneys may, with prior Client approval, associate co-counsel if the Attorneys believe it advisable or necessary for the proper handling of Client's claim, and expressly authorize the Attorneys to divide any Attorneys' fees that may eventually be earned with co-counsel so associated for the handling of Client's claim. Attorneys understand that the amount of Attorneys' fees which Client pays will not be increased by the work of co-counsel associated to assist with the handling of Client's claim, and that such associated co-counsel will be paid by the Attorneys out of the Attorneys' fees Client pays to the Attorneys.
12. DISCLAIMER OF GUARANTEE. Nothing in this Contract and nothing in Attorneys' statements to Client will be construed as a promise or guarantee about the outcome of Client's matter. Attorneys make no such promises or guarantees. Attorneys' comments about the outcome of Client's matter are expressions of opinion only.
13. MULTIPLE REPRESENTATIONS: The Client understands that Attorneys do or may represent many other individuals/entities with actual or potential litigation claims. Attorneys' representation of multiple claimants at the same time may create certain actual or potential conflicts of interest in that the interests and objectives of each client individually on certain issues are, or may become, inconsistent with the interests and objectives of the other. Attorneys are governed by specific rules and regulations relating to Attorneys professional responsibility in Attorneys representation of clients, and especially where conflicts of interest may arise from Attorneys representation of multiple clients against the same or similar Defendants, Attorneys are required to advise Attorneys' clients of any actual or potential conflicts of interest and obtain their informed written consent to Attorneys representation when actual, present, or potential conflicts of interest exist. By signing this Agreement, the Client is acknowledging that they have been advised of the potential conflicts of interest which may be or are associated with Attorneys representation of the Client and other multiple claimants and that the Client nevertheless wants the Attorneys to represent the Client, and that the Client consents to Attorneys representation of others in connection with the litigation.

Attorneys strongly advise the Client, however, that the Client remains completely free to seek other legal advice at any time even after the Client signs this Agreement.

14. **AGGREGATE SETTLEMENTS:** Often times in cases where Attorneys represent multiple clients in similar litigation, the opposing parties or Defendants attempt to settle or otherwise resolve Attorneys' cases in a group or groups, by making a single settlement offer to settle a number of cases simultaneously. There exists a potential conflict of interest whenever a lawyer represents multiple clients in a settlement of this type because it necessitates choices concerning the allocation of limited settlement amounts among the multiple clients. However, if all clients consent, a group settlement can be accomplished and a single offer can be fairly distributed among the clients by assigning settlement amounts based upon the strengths and weaknesses of each case, the relative nature, severity and extent of injuries, and individual case evaluations. In the event of a group or aggregate settlement proposal, Attorneys may implement a settlement program, overseen by a referee or special master, who may be appointed by a court, designed to ensure consistency and fairness for all claimants, and which will assign various settlement values and amounts to each client's case depending upon the facts and circumstances of each individual case. The Client authorizes us to enter into and engage in group settlement discussions and agreements which may include the Client's individual claims. Although the Client authorizes us to engage in such group settlement discussions and agreements, the Client will still retain the right to approve, and Attorneys are required to obtain the Client's approval of, any settlement of the Client's case.
15. **EFFECTIVE DATE AND TERM.** This Agreement will take effect upon execution by Client and Attorneys.
16. **COUNTERPARTS.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute one and the same instrument. Facsimile or pdf versions of this Agreement shall have the same force and effect as signature of the original.
17. **ASSIGNMENT:** Neither party shall have the right to assign its rights or obligations under this Agreement to any person or entity without the prior written consent of the other party, which consent shall not be unreasonably withheld.
18. **SUCCESSORS AND ASSIGNS:** This Agreement shall bind and benefit the parties hereto and their respective successors and assigns.
19. **FULL AND FINAL AGREEMENT:** This Agreement is the full and final agreement. Any amendments to the Agreement must be in writing and signed by the parties.
20. **GOVERNING LAW.** This Agreement shall be construed in accordance with, and governed by, the laws of the State of Michigan.
21. **AUTHORIZED SIGNATURES:** Each individual signing below represents that the individual is duly authorized to sign this Agreement on behalf of that individual's respective party as listed below.

Frantz Law Group, APLC

Dated: _____, 202__

Frantz Signature: _____

Frantz Print Name: _____

Dated: [REDACTED], 202 [REDACTED]

Signature: [REDACTED]

Print Name: Glenn Mitcham

Client Name: Waverly Community Schools

Position of Signatory: Superintendent

**WAVERLY COMMUNITY SCHOOLS
BOARD OF EDUCATION
REGULAR BOARD MEETING
OCTOBER 20, 2025**

Report #25-23

FOR ACTION

Subject:

2022 Building and Site, Series II Change Order Recommendations

Recommendation:

The Superintendent recommends the Board of Education approve change orders for FD Hayes, Amcomm, People Driven Technology (PDT), Crescent Digital and Lightspeed

Statement of Purpose:

The purpose of these change orders is to incorporate the final design changes from the Colt Early Childhood Education Center and the Delta Township Senior and Activity Center into the public address systems, structured cabling, access control, audio-visual and classroom sound scope of work. The basis of design for Colt ECEC and Delta Township was not complete when we bid this scope of work and we expected a change order when the design was completed.

Background Information:

On May 4, 2021 a special election was held for the purpose of proposing a ballot question to authorize Waverly Community Schools to borrow the sum of \$125,000,000 and issue its general obligation unlimited tax bonds therefor, in one or more series for the purpose of erecting additions to, remodeling, including security improvements to, furnishing and refurbishing, and equipping and re-equipping school buildings; acquiring and installing instructional technology and instructional technology equipment for school buildings; purchasing school buses; and developing, equipping and improving playgrounds, play fields, athletic fields, parking areas and sites. The ballot proposal having received sufficient votes was approved.

On February 13, 2023 the Board adopted a resolution to take action on any change order for an amount exceeding One Hundred Thousand and No/100 Dollars (\$100,000.00) or Ten Percent (10%) of the original contract sum, whichever is greater.

Budget Impact:

The total cost of the recommendation for these change orders is Three Hundred One Thousand Fifty-Two and 62/100 Dollars (\$301,052.62). The contracts will be split funded by the proceeds from the 2022 Building and Site, Series II bonds in the amount of \$173,358.10 for the Colt Early Childhood Education Center and by the Senior Center Grant authorized by Sec. 1304 PA 321 of 2023 in the amount of \$127,694.52 for the Delta Township Senior and Activity Center. This recommendation is within the amount budgeted for this scope of work.

Discussion of Options:

The Board may entertain a motion to take one of the following actions:

- 1) Accept the change order recommendations, as presented
- 2) Reject the change order recommendations, and proceed with the base bid work
- 3) Table the recommendation for further discussion



September 22, 2025

Mr. Evan Nuffer
Director, Finance and Operations
Waverly Community Schools
515 Snow Rd.
Lansing, Michigan 48917

RE: Waverly Community Schools Bid Package 06 Colt ECEC & Delta Enrichment

Dear Mr. Nuffer,

Bid documents were issued for Waverly Community Schools (WCS) for the Colt ECEC & Delta Enrichment project for Technology services. Services include Access Control, Security Cameras, Structured Cabling, Public Address and Audio/Visual systems. Bids were received from the contractors already under contract throughout the district for these trades to maintain consistency across the district with said solutions.

Bid Evaluation Summary and Recommendations

Submitted responses were as follows

- | | |
|---|--|
| 1. Public Address Systems (FD Hayes) | \$33,310.00 (\$19,325.00 Colt; \$13,985.00 Delta) |
| 2. Structured Cabling (Amcomm) | \$49,777.00* (\$22,493.85 Colt; \$27,283.15 Delta) |
| 3. Access & Surveillance (PDT) | \$86,831.27 (\$59,103.05 Colt; \$27,728.22 Delta) |
| 4. Audio-Visual (Crescent Digital) | \$105,800.35 (\$52,065.20 Colt; \$53,735.15 Delta) |
| 5. Classroom Sound Systems (Lightspeed) | \$25,334.00** (\$20,371.00 Colt; \$4,963.00 Delta) |

*Includes a \$5,000 allowance for building unknowns

** District purchase direct

After a review of the responses received, post-bid interview, followup questions, clarifications and details were all confirmed by Barton Malow and the contractor. Based upon the evaluation of the project team we present these responses for consideration by the administration and Board of Education:

Upon approval by the Board of Education, Barton Malow will alter the existing contracts with these awarded contractors via change orders in the amount approved. Payments for this project will come from the current bond and grant programs. If you have any questions, please call me at (989) 415-0162.

Sincerely,

Jeff Zalucha
Technology Designer II
Barton Malow Builders

PROPOSAL

Waverly Colt Early Child Center

Barton Malow

4344 W Michigan Ave.
Lansing, MI 48917
(517) 323-3777

Revision: 0
Modified: 8/29/2025



Presented By:

Crescent Digital LLC

3210 Euclid Ave.
Cleveland, OH 44115 United States
216-378-0360
www.crescentdigital.com



Delta: Display Type A

2	Newline EPR8A50600-000 Newline Wall Mount	\$582.82
2	Newline EPRNVCS-003 Newline VCS Digital Signage 3-Year License	\$680.82
2	Newline TT-5522NT-PLUS Newline 55" NT+ display	\$2,387.78

Delta: Display Type A Total

\$3,651.42

Delta: Display Type B

1	C2G CG39874 HDMI and USB Pass Through Single Gang Wall Plate - Brushed Aluminum	\$66.50
1	C2G CG56782 3ft (0.9m) C2G Core Series High Speed HDMI Cable with Ethernet - 4K 60Hz	\$18.95
1	Kramer Electronics Via Connect2 Kramer Via Connect2 (for Conf. rm only)	\$1,330.00
1	LG Commercial 75UR340C9UD LG 75" flat panel wall-mounted	\$1,779.38
1	Monoprice 13782 HDMI 15' cable	\$49.64
1	Mustang AV MPT-L65UA Mustang Pro - Tilt Mount - 600x500 - 200lbs	\$69.98
1	OwlLabs MTW300-1000 OWL conferencing device	\$1,538.60
2	Wiremold 800BAC 800 Series Raceway Base and Cover, Ivory	\$111.48

Delta: Display Type B Total

\$4,964.53

* Price Includes Accessories

Delta: Room Type 3 (A)

1	Atlona AT-HDVS-CAM-HDMI-BK Professional HDMI and USB2.0 PTZ Camera - Black	\$879.70
1	C2G CG39874 HDMI and USB Pass Through Single Gang Wall Plate - Brushed Aluminum	\$66.50
3	C2G CG56782 3ft (0.9m) C2G Core Series High Speed HDMI Cable with Ethernet - 4K 60Hz	\$56.85
1	Crestron Electronics HD-EXT-USB-2000-C 4K HDMI & USB over HDBaseT Extender 2000	\$805.00
4	Customer Supplied 975 Access [OFE] - Lightspeed classroom audio systems (installed by integrator)	\$210.00
1	Kramer Electronics Via Connect2 Kramer Via Connect2 (for Conf. rm only)	\$1,330.00
1	LG Electronics 86UR340C9UD 86 UR340C Series UHD Commercial TV	\$2,567.60
1	Monoprice 13782 HDMI 15' cable	\$49.64
1	Mustang AV MPT-L65UA Mustang Pro - Tilt Mount - 600x500 - 200lbs	\$69.98

Delta: Room Type 3 (A) Total

\$6,035.27

* Price Includes Accessories

Delta: Room Type 3 (B)

1	Atlona AT-HDVS-CAM-HDMI-BK Professional HDMI and USB2.0 PTZ Camera - Black	\$879.70
1	C2G CG39874 HDMI and USB Pass Through Single Gang Wall Plate - Brushed Aluminum	\$66.50
3	C2G CG56782 3ft (0.9m) C2G Core Series High Speed HDMI Cable with Ethernet - 4K 60Hz	\$56.85
1	Crestron Electronics HD-EXT-USB-2000-C 4K HDMI & USB over HDBaseT Extender 2000	\$805.00
4	Customer Supplied 975 Access [OFE] - Lightspeed classroom audio systems (installed by integrator)	\$210.00
1	Kramer Electronics Via Connect2 Kramer Via Connect2 (for Conf. rm only)	\$1,330.00
1	LG Electronics 86UR340C9UD 86 UR340C Series UHD Commercial TV	\$2,567.60
1	Monoprice 13782 HDMI 15' cable	\$49.64
1	Mustang AV MPT-L65UA Mustang Pro - Tilt Mount - 600x500 - 200lbs	\$69.98

Delta: Room Type 3 (B) Total

\$6,035.27

* Price Includes Accessories

Delta: Lunch and Bingo Room

1	C2G CG40413 6FT. 3.5MM STEREO AUDIO CBL M/M	\$14.31
3	C2G CG56783 6ft (1.8m) C2G Core Series High Speed HDMI Cable with Ethernet - 4K 60Hz	\$63.48
2	Chief PNRUB LFP FOUR ARM DUAL UNIVERSAL	\$2,245.60
8	Customer Supplied 975 Access [OFE] - Lightspeed classroom audio systems (installed by integrator)	\$420.00
2	Extron 60-1271-13 DTP HDMI 4K 230 Rx - HDMI Twisted Pair Receiver - 230 feet (70 m)	\$1,050.00
1	Extron 60-1437-01 DTP HD DA4 4K 230 - HDMI to Four Output DTP Twisted Pair Distribution Amplifier - 230 feet (70 m)	\$2,534.00
2	LG Commercial 75UR340C9UD LG 75" flat panel wall-mounted	\$3,558.76

Delta: Lunch and Bingo Room Total

\$9,886.15

* Price Includes Accessories

1	14-2 Speaker Wire Run 200 Belden 6000UE 0101000 Security & Sound Cable, 2 Conductor 12 AWG BC, CL2P, Black, 1000 Feet	\$466.37
2	Audio-Technica ATM73cW Cardioid Condenser Headworn Microphone	\$309.80
2	Audio-Technica ATW-1423 System 20 PRO Dual (Handheld and Body-Pack) System	\$1,917.24
2	Audio-Technica ATW-CHG3AAD Two-Bay Charging Station with AC Adapter (3000 Series)	\$618.60
3	C2G CG04108 3ft (0.9m) Cat6 Non-Booted Unshielded (UTP) Ethernet Network Patch Cable - Black	\$43.44
3	Cat6 Data Run - Unshielded - Black - Liberty 75 Liberty Wire & Cable 24-4P-P-L6-EN-BLK Black Category 6 U/UTP EN series 23 AWG 4 pair Unshielded Cable 3 C2G CG27151 CAT6 Snagless UTP (Unshielded Twisted Pair) Ethernet Network Patch Cable, RJ45 Male to Male Connector, 3 Feet (0.9 Meter), Black 3 C2G CG27152 CAT6 Snagless UTP (Unshielded Twisted Pair) Ethernet Network Patch Cable, RJ45 Male to Male Connector, 7 Feet (2.11 Meter), Black 6 Liberty AV Solutions K6-8KP-WH Keystone compatible Category 6 U/UTP 90 degree punch down inserts	\$292.20
2	Extron 60-1563-02 TLP Pro 725M - 7" Wall Mount TouchLink Pro Touchpanel - Black	\$3,598.00
1	Extron 60-1823-01 6x4 Digital Matrix Processor w/ AEC DMP 64 Plus C	\$1,981.00
1	Extron 60-1914-01 IPCP Pro 255Q xi xi Quad Core Control Processor	\$1,631.00
1	Extron 60-604-02 RSB 129 - 1U 9.5" Deep Basic Rack Shelf	\$115.50

* Price Includes Accessories

1	Extron 70-1137-02 RM 5 - Rack Mount Kit for TLP Pro 525M and TLP Pro 725M	\$220.50
1	Extron SMK 2 Surface Mount Kit for TLP Pro 725M and TLS 725M	\$156.10
8	JBL Professional OFE Speaker [OFE] - OFE Speaker	\$420.00
1	LEA Professional CONNECT 352 2-Channel X 350W Low And High Impedance Int DSP Wi-Fi Hotspot Class D	\$1,289.16
1	Middle Atlantic EWR-12-22 12Space /22D Econo Wallrack, Black	\$1,016.40
1	Middle Atlantic PDX-915R-SP NEXSYS 9 Outlet, 15 Amp Rackmount Power with Series Surge Protection	\$731.85
2	Middle Atlantic PHBL-1 1space Flat Alum Blank Panel	\$83.30
1	Netgear GS108LP-100NAS 8-Port Gigabit Ethernet PoE+ Unmanaged Switch with FlexPoE (60W) (North America and Latin America)	\$218.27

Delta: Multipurpose Room Total

\$15,108.73

Delta: Gymnasium

1	Crescent Digital Relocate Rack Reroute/Extend Cabling as Necessary
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\$840.00

Delta: Gymnasium Total

\$840.00

* Price Includes Accessories

Delta: General AV Services

1	Crescent Digital A/V Drawings	\$500.00
1	Crescent Digital Design and Engineering	\$1,000.00
1	Crescent Digital Project Management Project Management, administration, and Coordination Fee	\$500.00
1	Crescent Digital Shipping and Handling Shipping and Handling	\$1,312.50
1	Crescent Digital Travel	\$250.00

Delta: General AV Services Total

\$3,562.50

Colt: Display Type A

1	Newline EPR8A50600-000 Newline Wall Mount	\$291.41
1	Newline EPRNVCS-003 Newline VCS Digital Signage 3-Year License	\$340.41
1	Newline TT-5522NT-PLUS Newline 55" NT+ display	\$1,193.89

Colt: Display Type A Total

\$1,825.71

* Price Includes Accessories

Colt: Display Type B

1	C2G CG39874 HDMI and USB Pass Through Single Gang Wall Plate - Brushed Aluminum	\$66.50
1	C2G CG56782 3ft (0.9m) C2G Core Series High Speed HDMI Cable with Ethernet - 4K 60Hz	\$18.95
1	Kramer Electronics Via Connect2 Kramer Via Connect2 (for Conf. rm only)	\$1,330.00
1	LG Commercial 75UR340C9UD LG 75" flat panel wall-mounted	\$1,779.38
1	Monoprice 13782 HDMI 15' cable	\$49.64
1	Mustang AV MPT-L65UA Mustang Pro - Tilt Mount - 600x500 - 200lbs	\$69.98
1	OwlLabs MTW300-1000 OWL conferencing device	\$1,538.60
2	Wiremold 800BAC 800 Series Raceway Base and Cover, Ivory	\$111.48

Colt: Display Type B Total

\$4,964.53

Colt: Room Type 1

7	C2G CG40413 6FT. 3.5MM STEREO AUDIO CBL M/M	\$100.17
7	Customer Supplied 975 Access [OFE] - Lightspeed classroom audio systems (installed by integrator)	\$367.50

Colt: Room Type 1 Total

\$467.67

* Price Includes Accessories

Colt: Room Type 2

6	C2G CG40413 6FT. 3.5MM STEREO AUDIO CBL M/M	\$85.86
6	Customer Supplied 975 Access [OFE] - Lightspeed classroom audio systems (installed by integrator)	\$315.00
6	Newline TT-8621Q Newline 86" IFP	\$24,005.10
6	ViewSonic VB-BLW-003 Balance Box height-adjustable mounts & adapter	\$5,048.40

Colt: Room Type 2 Total **\$29,454.36**

Colt: Carts

2	Newline EPR8A50500-SQR Newline mobile cart	\$1,158.86
2	Newline TT-8621Q Newline 86" IFP	\$8,001.70

Colt: Carts Total **\$9,160.56**

Colt: General AV Services

1	Crescent Digital A/V Drawings	\$500.00
1	Crescent Digital Design and Engineering	\$1,000.00
1	Crescent Digital Project Management Project Management, administration, and Coordination Fee	\$1,000.00
1	Crescent Digital Travel	\$250.00

Colt: General AV Services Total **\$2,750.00**

* Price Includes Accessories

Project Subtotal:

\$98,706.70

Misc. Items:

1	Shipping and Handling	\$1,250.00	\$1,250.00
Misc. Items Total:			\$1,250.00

* Price Includes Accessories

PROJECT SUMMARY

Total Installation Price:	\$98,706.70
Sales Tax:	\$5,843.65
Misc. Items:	\$1,250.00

Grand Total: \$105,800.35

Client: Jeff Zalucha

Date:

Contractor: Crescent Digital LLC

Date:

Waverly Community Schools BP 6 - CCD#3 Colt Early Childhood Center Amcomm Incorporated August 2025									
NOTES	DESCRIPTION	MFG	PART NUMBER	QTY	MAT. UNIT COST	LABOR UNIT COST	L & M UNIT COST	L & M LINE TOTAL	
	Waverly Community Schools								
	515 Snow Rd								
	Lansing, MI 48917								
	COLT EARLY CHILDHOOD CENTER								
	ALLOWANCE FOR COLT ECC			1					\$5,000.00
	DEMO:								
	Demo Select Data Drops back to Source			20	0.00	49.00	49.00		\$980.00
	Coil-Up, Save, and Relocate Select Data Drops			42	0.00	98.00	98.00		\$4,116.00
	Terminate Relocated Drops								
	Cat6 Jacks - Device Side	Panduit	NK688MBU	42	4.29	19.60	23.89		\$1,003.42
	Misc. Faceplates	Panduit	NK***	42	5.49	9.80	15.29		\$641.99
	Testing / Documentation			42	0.00	24.50	24.50		\$1,029.00
	J Hooks / Pathways			100	4.45	4.90	9.35		\$934.94
	Labels			1	60.95	49.00	109.95		\$109.95
	NEW CAT6 CABLING:								
	Category 6 UTP Cable - Plenum	General	7131100	5600	0.30	0.49	0.79		\$4,450.60
	Cat6 Jacks - Device Side	Panduit	NK688MBU	28	4.29	19.60	23.89		\$668.94
	Cat6 Patch Panel - 24 port	Panduit	NKFP24Y	2	24.70	19.60	44.30		\$88.59
	with Strain Relief Bar	Panduit	SRB19BLY	2	16.35	9.80	26.15		\$52.29
	Cat6 Jacks - Panel Side	Panduit	NK688MBU	28	4.29	19.60	23.89		\$668.94
	Surface Mount Box - 2 port	Panduit	NK2BXWH-A	12	1.46	14.70	16.16		\$193.95
	Misc. Faceplates	Panduit	***	9	5.49	9.80	15.29		\$137.57
	Terminate on Patch Panel			0	0.00	19.60	19.60		\$0.00
	Testing / Documentation			28	0.00	24.50	24.50		\$686.00
	J Hooks / Pathways			250	4.45	4.90	9.35		\$2,337.34
	Misc Pene's w/ Firestop			5	24.38	49.00	73.38		\$366.90
	Labels			1	60.95	49.00	109.95		\$109.95
	MDF/IDF Wallfield Support/Cables Ties/Velcro			1	30.48	392.00	422.48		\$422.48
	Hang Wireless Access Points			2	0.00	45.08	45.08		\$90.16
	COLT EARLY CHILDHOOD CENTER SUBTOTAL:								\$24,089.02
	DELTA TWP ENRICHMENT CENTER								
	DEMO:								
	Relocate rack from Old IDF location to New IDF location.								
	Provide copper patch panels and cable management as required.								
	Delta Twp. will provide fiber panels and trays, switches, UPS and patch cables and will install.								
	Existing data cables to be demo'd by others.								
	Relocate Data Rack to New IDF Location			1	0.00	490.00	490.00		\$490.00
	Misc Mounting Hardware			1	30.48	0.00	30.48		\$30.48
	Netrunner Vertical Cable Manager -	Panduit	WMPV22E	2	126.02	49.00	175.02		\$350.04
	Horizontal Wire Manager	Hubbell	HM14C	2	111.03	24.50	135.53		\$271.05
	Pull Back Existing Fiber and coil in ceiling in the hallway between Delta & Colt sections.			1		294.00	294.00		\$294.00
	NEW CAT6 CABLING:		135						
	Category 6 UTP Cable - Plenum	General	7131100	9000	0.30	0.49	0.79		\$7,152.75

Waverly Community Schools BP 6 - CCD#3 Colt Early Childhood Center Amcomm Incorporated August 2025								
NOTES	DESCRIPTION	MFG	PART NUMBER	QTY	MAT. UNIT COST	LABOR UNIT COST	L & M UNIT COST	L & M LINE TOTAL
	Cat6 Jacks - Device Side	Panduit	NK688MBU	45	4.29	19.60	23.89	\$1,075.09
	Cat6 Patch Panel - 24 port	Panduit	NKFP24Y	2	24.70	19.60	44.30	\$88.59
	with Strain Relief Bar	Panduit	SRB19BLY	2	16.35	9.80	26.15	\$52.29
	Cat6 Jacks - Panel Side	Panduit	NK688MBU	45	4.29	19.60	23.89	\$1,075.09
	Surface Mount Box - 2 port	Panduit	NK2BXWH-A	10	1.46	14.70	16.16	\$161.63
	Misc. Faceplates	Panduit	***	33	5.49	9.80	15.29	\$504.42
	Terminate on Patch Panel			0	0.00	19.60	19.60	\$0.00
	Testing / Documentation			45	0.00	19.60	19.60	\$882.00
	J Hooks / Pathways			250	4.45	4.90	9.35	\$2,337.34
	Misc Pene's w/ Firestop			6	24.38	49.00	73.38	\$440.28
	Labels			1	60.95	49.00	109.95	\$109.95
	MDF/IDF Wallfield Support/Cables Ties/Velcro			1	30.48	392.00	422.48	\$422.48
	NEW CAT6A CABLING:							
	Category 6A UTP Cable - Plenum	General	7131593	1600	0.65	0.49	1.14	\$1,825.51
	Cat6A Jacks - Device Side	Panduit	NK6X88MYL	8	9.34	19.60	28.94	\$231.50
	Cat6A Patch Panel - 24 port, Modular	Panduit	NKFP24Y	1	24.70	19.60	44.30	\$44.30
	with Strain Relief Bar	Panduit	SRB19BLY	1	16.35	9.80	26.15	\$26.15
	Cat6A Jacks - Panel Side	Panduit	NK6X88MYL	8	9.34	19.60	28.94	\$231.50
	Surface Mount Box - 2 port	Panduit	NK2BXWH-A	8	1.46	14.70	16.16	\$129.30
	Misc. Faceplates	Panduit	***	0	5.49	9.80	15.29	\$0.00
	Terminate on Patch Panel			0	0.00	19.60	19.60	\$0.00
	Testing / Documentation			8	0.00	19.60	19.60	\$156.80
	J Hooks / Pathways			50	4.45	4.90	9.35	\$467.47
	Misc Pene's w/ Firestop			2	24.38	49.00	73.38	\$146.76
	Labels			0	60.95	49.00	109.95	\$0.00
	MDF/IDF Wallfield Support/Cables Ties/Velcro			0	30.48	196.00	226.48	\$0.00
	OVER-LENGTH CAT6 CABLING:							
	Category 6 UTP Cable - Plenum (Gamechanger)	Paige	258300336	3000	0.90	0.49	1.39	\$4,161.55
	Cat6 Jacks - Device Side	Panduit	NK688MBU	8	4.29	19.60	23.89	\$191.13
	Cat6 Patch Panel - 24 port	Panduit	NKFP24Y	1	24.70	19.60	44.30	\$44.30
	with Strain Relief Bar	Panduit	SRB19BLY	1	16.35	9.80	26.15	\$26.15
	Cat6 Jacks - Panel Side	Panduit	NK688MBU	8	4.29	19.60	23.89	\$191.13
	Surface Mount Box - 2 port	Panduit	NK2BXWH-A	4	1.46	14.70	16.16	\$64.65
	Misc. Faceplates	Panduit	***	3	5.49	9.80	15.29	\$45.86
	Terminate on Patch Panel			0	0.00	19.60	19.60	\$0.00
	Testing / Documentation			8	0.00	19.60	19.60	\$156.80
	J Hooks / Pathways			0	4.45	4.90	9.35	\$0.00
	Misc Pene's w/ Firestop			0	24.38	49.00	73.38	\$0.00
	Labels			0	60.95	49.00	109.95	\$0.00
	MDF/IDF Wallfield Support/Cables Ties/Velcro			0	30.48	392.00	422.48	\$0.00
	DELTA TWP ENRICHMENT CENTER SUBTOTAL:							\$23,878.32
	MISCELLANEOUS:							
	Electrical Permit			1	365.70	196.00	561.70	\$561.70
	Shipping			1	182.85	98.00	280.85	\$280.85
	Mobilization			1	122.16	392.00	514.16	\$514.16
	Documentation			1	60.95	392.00	452.95	\$452.95
	MISCELLANEOUS COSTS SUBTOTAL:							\$1,809.66
	WAVERLY SCHOOLS' BP 6 - CCD#3 QUOTE TOTAL:							\$49,777.00



FD Hayes Electric Company, Inc.

2301 Beal Avenue
 Lansing MI 48910
 Phone: 517-482-0608
 Fax: 517-482-4110

Bill To:
 Waverly Community Schools
 515 Snow Rd
 Lansing, MI 48917

Proposal #: S_2025073.KS

Date: 8/18/2025
By: Kevin Schnarr
e-mail: kschnarr@fdhayes.com

Job Location/Ship To:
 Colt Early Childhood Center

PO #: _____
Project #: _____

Name: **BP6 Public Address System**

Line No.	Description	Units	Rate/Unit price	Amount
1	Public Address System Per plans and specifications. Installation of new a Carehawk CH1000LT system with two intercom paths and two AP1-B administrative phones. All new speakers will be provided and installed as well as four new outdoor horns. The new intercom will be integrated with the existing phone system. Demo of the speakers on the Colt side is included. The existing call buttons will be removed and blanked off. Up to two hours of customer training is also included.	1	\$ 33,310.00	\$ 33,310.00
Sub-Total				\$ 33,310.00
				\$ -
				\$ -
TOTAL :				\$ 33,310.00

Thank you for your business!

No work shall commence or material be supplied until the Customer returns this signed proposal to F.D. Hayes Electric. By signing this proposal/contract you confirm that you have read and agree with its terms and provisions. This proposal and its terms make reference to the current Service Agreement on file.

Accepted by: _____
 Title: _____
 Date: _____

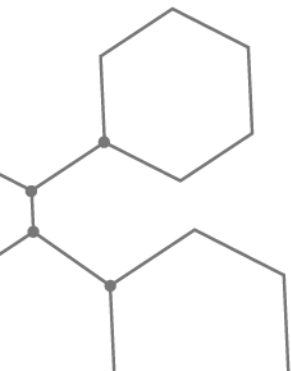


Waverly Community Schools

Colt ECC & Delta Renovations

Quote # 021425 v1

August 19, 2025





616-264-6700
orders@peopledriven.com

6300 Venture Hills Blvd SW
Byron Center, MI 49315

Colt ECC & Delta Renovations

Prepared by:

West Michigan

Charlie Booth
616-264-6721
boothc@peopledriven.com
Chris O'Keefe
okeefec@peopledriven.com

Prepared for:

Waverly Community Schools

Jeff Zalucha
Jeff.Zalucha@bartonmalow.com

Quote Information:

Quote #: 021425

Version: 1
Delivery Date: 08/19/2025
Expiration Date: 09/18/2025

Waverly Side

Line	Qty	Part Number	Description	Price	Extended Price
1	1	AC-HID-READER-SIGNO-20TKS-00-000000	Signo20, Mullion, 13.56mHz &125kHz, OSDP/Wiegand, Terminal, Mobile Ready, BLE	\$264.76	\$264.76
2	7	ACC7-ENT-BUNDLE-5YR	Avigilon Control Center v. 7 Enterprise Edition - Camera License - 5 Year	\$265.55	\$1,858.85
3	3	16.0C-H6ADH-DO1-IR	2x8 MP H6A Dualhead	\$1,422.22	\$4,266.66
4	1	10.0C-H6ADH-DO1-IR	Avigilon 5 Megapixel Outdoor Network Camera - Color, Monochrome - White - 98.43 ft Infrared Night Vision - H.264, H.265, Motion JPEG - 2592 x 1944 - 3.35 mm- 7 mm Varifocal Lens - 2.1x Optical - 24 fps - CMOS - Surface Mount, Junction Bo	\$1,185.41	\$1,185.41
5	1	24C-H5A-3MH	Avigilon 24 Megapixel Indoor/Outdoor 4K Network Camera - Color, Monochrome - White - 98.43 ft Infrared Night Vision - H.264, H.265, Motion JPEG - 3840 x 2160 - 3.30 mm- 5.70 mm Varifocal Lens - 1.7x Optical - 24 fps - CMOS - Gigabit Ethernet - USB - IK10	\$1,753.64	\$1,753.64
6	1	6.0C-H6A-D1	6MP H6A Indoor Dome Camera with 4.4-9.3mm Lens	\$903.62	\$903.62
7	1	15C-H5A-3MH	Avigilon 5 Megapixel Outdoor, Indoor/Outdoor Network Camera - Color - 98.43 ft Infrared Night Vision - H.264, H.265, Motion JPEG - 7776 x 1944 - 3.30 mm- 5.70 mm Varifocal Lens - 1.7x Optical - 40 fps - CMOS - Gigabit Ethernet - USB	\$1,524.10	\$1,524.10
8	1	CRNMT-1001	Pelco Corner Mount for Large Pendant Wall Mount WLMT-1001	\$95.92	\$95.92
9	2	WLMT-1021	MOUNT; PENDANT ARM; 20CM LONG	\$69.46	\$138.92
10	2	NPTA-1201	Avigilon Mounting Adapter for Network Camera	\$46.30	\$92.60
11	1	CLADP-1001	Adapter, In-ceiling, 7.5" Dia, Grey	\$56.23	\$56.23



616-264-6700
orders@peopledriven.com

6300 Venture Hills Blvd SW
Byron Center, MI 49315

Waverly Side

Line	Qty	Part Number	Description	Price	Extended Price
12	1	JBOX-1201	Junction Box for Dual Head Cameras	\$69.46	\$69.46
13	2	H5AMH-AD-CEIL1	Avigilon Mounting Adapter for Network Camera	\$117.09	\$234.18
14	2	H5AMH-DC-COVR1	Dome bubble and cover, for in-ceiling mount, clear. For use with the Avigilon H5A Multisensor	\$58.20	\$116.40
15	2	CLPNL-1001	Ceiling panel metal white 2 ft X 2 ft for Multi Sensor Multi directional camera	\$69.42	\$138.84
16	2	POE60U-1BTE	Avigilon PoE Injector - 60 W	\$117.09	\$234.18
17	5	RLH-DRT-24-1	24in SECTION OF SLOTTED DIN RAIL TRACK	\$16.19	\$80.95
18	1	PS-PhySec-FF	People Driven Physical Security Fixed Fee Services	\$27,770.00	\$27,770.00
19	1	PD-MATERIAL	Misc Material	\$555.71	\$555.71
20	1	PD-SUB-SERVICE	Subcontracted Services - Access Control Cabling	\$16,470.59	\$16,470.59
21	1	PD-Allowance	Performance Bond	\$572.02	\$572.02

Subtotal: \$58,383.04

Delta Side

Line	Qty	Part Number	Description	Price	Extended Price
22	1	AC-LSP-8DR-MER-LCK	Avigilon Power Supply - Enclosure - 12 V DC, 24 V DC Output	\$684.81	\$684.81
23	1	AC-MER-CON-MR52-S3	HID® Mercury™ MR52-S3B Controller Serial I/O Dual Card Reader Interface, 2-Reader Interface Module - (2 reader: mag, wiegand, 4 reader OSDP, 8 inputs, 6 relays) (Mercury MR52-S3B	\$599.01	\$599.01
24	3	AC-HID-READER-SIGNO-20TKS-00-000000	Signo20, Mullion, 13.56mHz &125kHz, OSDP/Wiegand, Terminal, Mobile Ready, BLE	\$264.76	\$794.28
25	1	01301-001	2N IP Solo Intercom Sub Station - Cable - Surface Mount for Home - Nickel - TAA Compliant	\$916.30	\$916.30
26	2	02087-001	2N Indoor View Video Master Station - 7" Touchscreen Tempered Glass - Residential, Office	\$503.30	\$1,006.60
27	2	02039-001	2N Indoor Desk Stand - Desk, Shelf - Black	\$41.30	\$82.60
28	1	01386-001	2N Relay	\$118.30	\$118.30
29	1	02077-001	2N Wedge Mounting Plate for IP Intercom	\$23.80	\$23.80
30	4	120T-12-W	3/4" RECESSED MAGNETIC CONTACT WHITE; EACH	\$3.75	\$15.00



616-264-6700
orders@peopledriven.com

6300 Venture Hills Blvd SW
Byron Center, MI 49315

Delta Side

Line	Qty	Part Number	Description	Price	Extended Price
31	4	DS160	Bosch DS160 High Performance Request To Exit Motion Sensor Sounder, Light Gray	\$69.00	\$276.00
32	1	SS2279LD-EN	YELLOW, COVER INDOOR/OUTDOOR SURFACE, TURN TO RESET ILLUMINATED RED	\$115.54	\$115.54
33	1	PS-PhySec-FF	People Driven Physical Security Fixed Fee Services	\$15,635.00	\$15,635.00
34	1	PD-MATERIAL	Misc Material	\$971.43	\$971.43
35	1	PD-SUB-SERVICE	Subcontracted Services - Access Control Cabling	\$5,882.35	\$5,882.35
36	1	PD-Allowance	Performance Bond	\$268.36	\$268.36

Subtotal: \$27,389.38



616-264-6700
orders@peopledriven.com

6300 Venture Hills Blvd SW
Byron Center, MI 49315

Colt ECC & Delta Renovations

Ship To:

Waverly Community Schools

515 Snow Rd
Lansing, MI 48917
Jeff Zalucha
(989) 415-0162
Jeff.Zalucha@bartonmalow.com

Bill To:

Waverly Community Schools

515 Snow Rd
Lansing, MI 48917
Jeff Zalucha
(989) 415-0162
Jeff.Zalucha@bartonmalow.com

Quote Information:

Quote #: 021425

Version: 1
Delivery Date: 08/19/2025
Expiration Date: 09/18/2025

Quote Summary

Description	Amount
Waverly Side	\$58,383.04
Delta Side	\$27,389.38
Subtotal: \$85,772.42	
Estimated Tax: \$1,058.85	
Total: \$86,831.27	

Taxes, shipping, handling and other fees may apply. We reserve the right to cancel orders arising from pricing or other errors.

People Driven Technology

Waverly Community Schools

Signature: _____

Name: Charlie Booth

Title: Account Executive

Date: 08/19/2025

Signature: _____

Name: _____

Date: _____



P ACCEPTANCE OF THE PRICE QUOTE IS MADE ONLY UPON THESE TERMS AND CONDITIONS

1. **AGREEMENT:** PEOPLE DRIVEN TECHNOLOGY, INC. ("PEOPLE DRIVEN") DOES NOT ACCEPT AND EXPRESSLY OBJECTS TO ANY TERMS AND CONDITIONS OR OTHER WRITING ON ANY PURCHASE ORDER, STATEMENT OF WORK, OR ACKNOWLEDGEMENT WHICH IS DIFFERENT FROM OR ADDITIONAL TO THOSE TERMS AND CONDITIONS CONTAINED HEREIN, EXPRESSLY INCLUDING, WITHOUT LIMITATION, ANY EFFORT TO NEGATE THE TERMS AND CONDITIONS SET FORTH HEREIN. NO MODIFICATION OR WAIVER OF THESE TERMS WILL BE EFFECTIVE AGAINST PEOPLE DRIVEN UNLESS SPECIFIED IN WRITING AND SIGNED BY PEOPLE DRIVEN. THE RECEIPT OF THE QUOTE OR PAYMENT FOR THE PRODUCTS AND/OR SERVICES PROVIDED THEREUNDER SHALL CONSTITUTE CUSTOMER'S ACCEPTANCE OF THE TERMS HEREOF.
2. **PRICING:** Prices for any Products and/or Services are valid for 30 days therefrom unless otherwise stated. Customer is responsible for (i) all applicable federal, state or local sales, use or other taxes (except taxes on People Driven Technology, Inc.'s net income), (ii) shipping or packing charges, (iii) insurance, and (iv) any other expenses associated with the sale and transportation, or storage of the Products or tariffs and any similar charges imposed upon or in connection with the Products and/or Services. The parties agree that all charges included in the price of the Products and/or Services set forth in the Price Quote are based upon detailed specifications supplied by Customer and any deviation requested by the Customer from such specifications may result in additional charges. All prices quoted shall be exclusive of sales tax or other applicable taxes, tariffs, duties or charges which are payable by Customer. Any tax, tariff, duty or charge which People Driven may be required to pay or collect, now or hereafter imposed by any governmental authority or agency, foreign or domestic, with respect to the sale, purchase, production, processing, storage, delivery, transportation, use, or consumption of any of the Products and/or Services covered hereby, including all taxes upon or measured by receipts from sales or services, shall be for the account of Customer, and any such charges may be added by People Driven as a separate item to People Driven's invoices.
3. **PAYMENT:** Unless otherwise specified in the Price Quote, payment for Products and/or Services is due net 30 days from the date of invoice. All invoice totals will reflect a 3% discount for payment by readily available cash that would not be applied for credit card payments. Credit card payments are not accepted for payments over \$5,000.
4. **DELIVERY:** Unless otherwise agreed in writing, the Products shall be shipped and delivered F.O.B. Customer's ship to location set forth in the Price Quote. Unless Customer instructs People Driven to use a particular carrier on customer's order letter, the Products shall be shipped via a common carrier chosen by People Driven.
5. **SHORTAGE: CLAIMS AND INSPECTION:** Customer shall have the right to inspect the Products and/or Services within 48 hours of receipt. Any shortages or other claims in connection with an order must be made in writing and delivered to People Driven within such 48-hour period or shall be waived.
6. **RETURNS:** Customer acknowledges that People Driven shall have no obligation to accept returns of any Products ordered by and sold to Customer. People Driven at its sole discretion, may authorize the return of unused Products. Such returns cannot be made without a return authorization in writing issued by People Driven.
7. **TITLE AND RISK OF LOSS:** Unless otherwise specified in the Price Quote, title and risk of loss shall pass to Customer at the time the Products are tendered by each carrier at Customer's facilities, and any loss or damage thereafter shall not relieve Customer from any obligation hereunder. People Driven reserves, and Customer hereby grants to People Driven, a purchase money security interest in the Products, and all proceeds from the sale thereof, until full payment is received for all amounts due and payable by Customer.
8. **WARRANTIES AND REMEDIES:**

Product Warranty: People Driven does not warrant any Product. All Products are provided to Customer by People Driven "AS IS." People Driven will, to the extent allowable, pass through any warranties and indemnifications provided by the manufacturer of the Product. Customer, recognizing that People Driven is not the manufacturer of any Product, expressly waives any claim that Customer may have against People Driven based upon any product liability or infringement or alleged infringement of any patent, copyright, trade secret or other intellectual property right (each a "Claim") with respect to any Product and also waives any right to indemnification from People Driven against any such Claim made against Customer by another. Customer acknowledges that no employee of People Driven or any other party is authorized to make any representation or warranty on behalf of People Driven that is not expressly set forth in this Agreement.

Service Warranty: People Driven represents, warrants and covenants that (i) People Driven shall perform all Services, if any, in accordance with the material specifications set forth in the quote and (ii) the functions and features of the Services and related deliverables shall operate in the manner described in the applicable quote for ninety (90) days from the completion thereof. Notwithstanding anything contained herein to the contrary, to the extent a manufacturer requires Products to be installed by People Driven or such manufacturer in order for a warranty to be valid, neither People Driven nor the product manufacturer shall provide a warranty for any Products which are not installed, as applicable, by People Driven or the product manufacturer. EXCEPT AS SET FORTH HEREIN, PEOPLE DRIVEN MAKES NO OTHER WARRANTIES, WRITTEN OR ORAL. ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, ARE HEREBY SPECIFICALLY DISCLAIMED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT, AND ANY WARRANTY ARISING BY STATUTE, OPERATION OF LAW, COURSE OF DEALING OR PERFORMANCE, OR USAGE OF TRADE.
9. **EXPORT RESTRICTIONS:** Products may be subject to export or resale restriction or regulation, and Customer acknowledges that it will comply with such restrictions and regulations. Any statement as to product country of origin, Export Control Classification Number, or compliance with applicable law (including, without limitation, that products are lead-free or RoHS compliant) is as provided to People Driven by its suppliers, and People Driven does not warrant its accuracy and will not be liable for any error with regard to same.



P ACCEPTANCE OF THE PRICE QUOTE IS MADE ONLY UPON THESE TERMS AND CONDITIONS

10. **ORDER CANCELLATION:** Product cancellation and/or return is subject to manufacturer restrictions. People Driven will abide by its suppliers' current restrictions for all cancellation and return requests up to and including a No Cancellation or Return policy.
11. **SPECIAL NOTICE:** Please note that VMware pricing, part numbers, and quote expiration dates may be subject to change at any time as a result of the Broadcom acquisition.
12. **Bill and Hold Arrangement.** From time to time, People Driven, at the request of Customer (email communication being sufficient), maybe asked to hold certain Products, with the acceptance that Customer shall be immediately billed for the Products ("Bill and Hold Products"). The following provisions shall apply to the Bill and Hold Products:
 - i. **Delivery.** The shipment of the Bill and Hold Products to Customer shall take place Ex Works (Incoterms 2020®) People Driven's facility. The Bill and Hold Products shall be deemed delivered upon notice that the Bill and Hold Products are made available to Customer and ready to be placed in use ("Delivery"). Upon notice and Delivery, Customer shall be deemed to have accepted such Delivery. Bill and Hold Products shall be held at People Driven's facility (the "Facility") for no more than 180 days following Delivery (the "Bill and Hold Period"). In the event that for any reason any applicable Bill and Hold Products should remain at the Facility at the conclusion of the Bill and Hold Period, Customer acknowledges and agrees that People Driven shall be entitled to invoice Customer for reasonable storage charges for the applicable Bill and Hold Products until they are no longer held at the Facility, and Customer agrees to pay all such invoices promptly.
 - ii. **Shortage, Claims, and Inspection.** The Bill and Hold Products shall be considered received upon their arrival at Customer's "ship to" location ("Receipt"). Customer shall have the right to inspect the Bill and Hold Products within 48 hours of receipt. Any claims for shortages or other claims in connection with the Bill and Hold Products must be made in writing and delivered to People Driven within such 48-hour period, or such claims shall be deemed waived.
 - iii. **Title and Risk of Loss.** Title and risk of loss of the Bill and Hold Products, as well as any additional liabilities due to events occurring after the time of Delivery, shall pass to the Customer upon Delivery, and any loss or damage thereafter shall be Customer's sole obligation.
 - iv. Customer agrees that: (i) Customer has made a fixed commitment to purchase such Bill and Hold Products; (ii) the Bill and Hold Products shall be purchased on the Delivery basis for legitimate business purposes; (iii) Customer shall identify a fixed delivery date for the Bill and Hold Products; and (iv) Customer agrees to be invoiced and to pay such invoice in accordance with the payment terms set forth in this Agreement.

QUOTATION



Lightspeed Technologies, Inc.

11509 SW Herman Road

Tualatin OR 97062

1-800-732-8999

www.lightspeed-tek.com

Fax: 503-684-3197

Quote # Q-69764

Date: 3/2/2025

Expires: 5/1/2025

Payment Terms: Net 30

Shipping Method: Best Way

Account Executive: David Buist

BILL TO:

ACCOUNTS PAYABLE
 WAVERLY COMMUNITY SCHOOL DISTRICT
 515 SNOW RD
 LANSING, MI 48917-4501
 UNITED STATES

SHIP TO:

WAVERLY COMMUNITY SCHOOL DISTRICT
 515 SNOW RD
 LANSING, MI 48917-4501
 UNITED STATES

ITEM	CATALOG #	DESCRIPTION	QTY	UNIT PRICE	AMOUNT
T25-CC		Installed instructional audio system w/4 audio inputs, 2 Clearmike microphones with battery packs, NO speaker or select speaker(s) from System Speaker Options section. Available Spring 2025	15	\$1,417.00	\$21,255.00
DRQ4	252131	DRQ SPEAKERS X 4 W/TILE SUPPORTS	17	\$150.00	\$2,550.00
T25-CS		T25 AUDIO SYSTEM WITH CLEARMIKE AND SHAREMIKE	1	\$1,529.00	\$1,529.00
SUBTOTAL:					\$25,334.00
SALES TAX:					\$0.00
SHIPPING & HANDLING:					\$0.00
TOTAL DUE:					\$25,334.00

Warranty on Lightspeed instructional audio systems have a 5-year limited warranty on primary components including amplifier, charging station, speakers and microphones. Warranty on microphones and components that support discontinued systems including SMA, FMA, FMCA is 1-year. Warranty on Lightspeed NiMH and Li-Ion rechargeable batteries is 1 year.
 Bid REMC #2025 pricing was quoted. Please note: shipping and handling charges are included with bid pricing.

**WAVERLY COMMUNITY SCHOOLS
BOARD OF EDUCATION
REGULAR BOARD MEETING
October 20, 2025**

Report #25-24

FOR ACTION

Subject:

Student Trip - Overnight Field Trip to Ebersole Center in Wayland, Michigan

Recommendation:

Superintendent recommends approval of the overnight field trip to Ebersole Center from November 18, 2025 to November 19, 2025 to Wayland, Michigan.

Background Information:

This is a leadership opportunity for student government students to participate in activities to strengthen leadership abilities.

PROPOSAL FOR OVERNIGHT/EXTENDED STUDENT TRIPS

Type of Trip November 18-19, 2025
 Proposed Departure Date 11-18-25 Return Date 11-19-25
 Proposer Nicole Ohi-Shaw Position student govt adviser
 Date by which response is needed asap Proposal Date 9-9-25

A. Purpose

1. What is the major place to be visited or event to be attended?
Ebersole Center (Wayland, MI)
2. How is the trip related to the educational program of the District?
to provide opportunities for students to experience a field trip and outdoor activities
3. In what ways will the students benefit?
See above
4. In what ways will the District benefit?
Utilizing the property of Ebersole Center (exposing urban kids to a rural
5. How will the trip be evaluated to determine the extent to which these benefits were realized?
Debrief afterward with students

147

B. Students and Staff

1. Which students, (grade, class, or organization), will be going?
Student government students (grades 9-12)

B. Students and Staff (cont'd)

2. How many students in total?

40 students

3. How many students are currently experiencing academic problems?

any needing support will be addressed

4. Which staff member will be in charge?

myself (Chicole Ohlfow) plus one male adult chaperone

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5. What previous experience has the staff member had in conducting overnight or extended field trips?

Eberole with 59 last year; barrel camp at Eberole 3 times; international trips with students (2018, 2022, two in 2024)

6. What other staff members will be going?

one male teacher (probably Jack MacQuigg) — may need 2 more (will see if interns can attend if so!)

7. How many chaperones, in addition to staff members, will be going?

none (but there is staff on site)

8. What are their names and affiliations with the students?

Ben Butwinski (517) 802-7616
Carlie ~~Horton~~ Hecha (916) 444-6445
(Lansing schools employees)

9. How many school days will be missed?

2

10. How will teachers be advised in advance that the students will be out of school?

email

C. School Work

1. How will missed work be made up?

upon their return (or in advance if teachers assign it)

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2. What special assistance will be provided students with academic problems?

if a student is struggling academically they will not be invited to attend

D. Itinerary

1. What is the destination?

Ebersole Center (Wayland, MI)

2. What will be the mode of transportation? What liability insurance does the carrier have?

Waverly buses / Waverly insurance

3. Where will the group be housed and fed?

Ebersole Center (bunk houses and meals on site)

D. Itinerary (cont'd)

4. What enroute or supplementary activities are planned?

those will be planned by Ebersole staff

5. What arrangements have been made for dealing with emergency situations?

nurse on-site

6. If tour guides are involved, what liability insurance do they carry?

n/a

150

E. Finances

1. What is the estimated total cost and cost per student?

no cost

2. What is the source of funds?

student government money

3. How will the funds be collected and safeguarded?

n/a

4. How will any shortfall be made up or excess funds used?

n/a

5. What provision has been made for students who are financially unable to pay any necessary costs?

n/a

F. Communications

1. How will you communicate to parents prior to, during, and after the trip?

-parents must fill out permission forms
-students have cell phones for communication as do I

2. List telephone numbers at destination and where group will be housed.

(517) 802-7616

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3. What information will be provided to the media and the community?

n/a

Upinder All Graw _____ 9-10-25 _____
Signature of the Requestor Date

Approved:
Tomlin _____ 9-10-25 _____
Principal Date

Date

Board of Education Date

9/26/11

**WAVERLY COMMUNITY SCHOOLS
BOARD OF EDUCATION
REGULAR BOARD MEETING
October 20, 2025**

Report #25-25

FOR ACTION

Subject:

Student Trip - Out of State (1 day) Field Trip to Cedar Point in Sandusky, Ohio.

Recommendation:

Superintendent recommends approval of the Senior Student 1-day trip to Cedar Point trip on May 16, 2026.

Background Information:

Waverly seniors will spend a day at Cedar Point.

PROPOSAL FOR OVERNIGHT/EXTENDED STUDENT TRIPS

Type of Trip ~~any other~~ Cedar Point music/Senior trip

Proposed Departure Date 5-16-26 Return Date 5-16-26

Proposer music dept and nicole ohl-snow Position teachers

Date by which response is needed asap Proposal Date 10-2-25

A. Purpose

1. What is the major place to be visited or event to be attended?
Cedar Point amusement park
2. How is the trip related to the educational program of the District?
to provide students with an opportunity to visit Cedar Point
3. In what ways will the students benefit?
they'll have fun
4. In what ways will the District benefit?
students will have fun
5. How will the trip be evaluated to determine the extent to which these benefits were realized?
we'll ask them if they had fun

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B. Students and Staff

1. Which students, (grade, class, or organization), will be going?
- middle school/high school music students
- seniors

B. Students and Staff (cont'd)

2. How many students in total?

150-ish

3. How many students are currently experiencing academic problems?

students in academic trouble won't be allowed to go

4. Which staff member will be in charge?

Dave Gorbie, Bridget Lindemann,
Chris Onze, Nicole Ohlstrom

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5. What previous experience has the staff member had in conducting overnight or extended field trips?

many previous Cedar Point trips

6. What other staff members will be going?

see #4

7. How many chaperones, in addition to staff members, will be going?

possibly 1-2 more

8. What are their names and affiliations with the students?

we will offer this to 1-2 staff members if needed

9. How many school days will be missed?

none (it's a Saturday)

10. How will teachers be advised in advance that the students will be out of school?

n/a

C. School Work

1. How will missed work be made up?

n/a

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2. What special assistance will be provided students with academic problems?

n/a

D. Itinerary

1. What is the destination?

Cedar Point Amusement Park, Sandusky,

2. What will be the mode of transportation? What liability insurance does the carrier have?

Ohio
through Educational Tours, Inc.
\$1,000,000 liability insurance

3. Where will the group be housed and fed?

food is available for purchase at
the park

D. Itinerary (cont'd)

4. What enroute or supplementary activities are planned?

n/a

5. What arrangements have been made for dealing with emergency situations?

24/7/365 emergency phone service 1-800-654-

6. If tour guides are involved, what liability insurance do they carry?

4560

n/a

156

E. Finances

1. What is the estimated total cost and cost per student?

\$15B-206 (depends on how many students attend)

2. What is the source of funds?

families will pay - can use fundraising money (MSU concessions, apple pie day, etc.)

3. How will the funds be collected and safeguarded?

they pay online directly

4. How will any shortfall be made up or excess funds used?

n/a

5. What provision has been made for students who are financially unable to pay any necessary costs?

fundraising is offered (see #2)

F. Communications

1. How will you communicate to parents prior to, during, and after the trip?

email/phone

2. List telephone numbers at destination and where group will be housed.

1-800-654-4560

housing n/a

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3. What information will be provided to the media and the community?

n/a

Ursula O'Brien

Signature of the Requestor

10-2-25

Date

Approved:

[Signature]

Principal

10/2/25

Date

Date

Board of Education

Date

9/26/11