

**GRAND RAPIDS PUBLIC SCHOOLS**

**FINANCIAL REPORT  
WITH SUPPLEMENTARY INFORMATION**

**JUNE 30, 2024**

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FINANCIAL REPORT  
WITH SUPPLEMENTAL INFORMATION  
GRAND RAPIDS PUBLIC SCHOOLS  
JUNE 30, 2024

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## **Independent Auditor's Report**

To the Board of Directors  
Grand Rapids Public Schools

### **Report on the Audit of the Financial Statements**

#### **Opinions**

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

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

#### **Basis for Opinions**

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

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

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

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

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

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

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To the Board of Directors  
Grand Rapids Public Schools

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

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

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

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

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

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The other supplementary information, as identified in the table of contents, and statistical section schedules are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The other supplementary 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. Such information, except for the details of revenue - budget and actual statement, the details of expenditures - budget and actual statement, and the statistical data, has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information, except for the details of revenue - budget and actual statement, the details of expenditures - budget and actual statement, and the statistical data, is fairly stated in all material respects in relation to the basic financial statements as a whole.

The details of revenue - budget and actual statement, the details of expenditures - budget and actual statement, and the statistical section schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.

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To the Board of Directors  
Grand Rapids Public Schools

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 25, 2024 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

*Plante & Moran, PLLC*

October 25, 2024

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GRAND RAPIDS PUBLIC SCHOOLS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024

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

**Using This Annual Report**

The annual report of the Grand Rapids Public Schools includes a series of financial statements designed to show information about the District as a whole, at the fund level, and information concerning its fiduciary responsibilities. The district-wide financial statements provide information about the whole school district. These statements can be found on pages 12 through 15 of this report. The fund-level financial statements provide more detailed information at the fund level and can be found on pages 16 through 22 of this report. The remaining statements, the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position provide financial information about activities for which the District acts solely as a trustee to provide cash grants for donor specified purposes. Following the district-wide and fund-level financial statements are the footnotes, required supplementary information and other supplementary information.

Reporting the School District as a Whole – District-Wide Financial Statements

The district-wide financial statements appear first in this report, and present an aggregate view of the financial position of the District. All governmental activities for the District are included, representing all of the services provided by the District. The statements are prepared using the accrual basis of accounting. This means that all assets and liabilities of the District are recorded, regardless of when related cash is received or paid. This is the basis of accounting utilized by most private sector companies.

The Statement of Net Position reports all assets, deferred outflows, liabilities and deferred inflows of the District, both short and long term. The difference between the total of assets and deferred outflows and the total liabilities and deferred inflows is labeled as net position. The level of net position is one indicator of the financial health of the District. The Statement of Activities reports on the current year revenue and expense of the entire District. The total revenue less the total expense is referred to as the operating results for the current year. Sustained, positive operating results may indicate improving financial health, while decreasing operating results may indicate a deteriorating financial condition. It is important to keep in mind that while we are required to report financial information in this manner, it is not the goal of the District to generate a profit. Financial reports are just one indicator of the overall health of the District.

GRAND RAPIDS PUBLIC SCHOOLS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024

Reporting the District's Most Significant Funds – Fund-Level Financial Statements

The District's fund-level financial statements provide information on the most significant funds, not the District as a whole. Governmental fund reporting provides a short-term view of the financial status of the District. The fund-level statements are prepared on the modified accrual basis of accounting, and include only current assets and liabilities of the District as well as deferred inflows and outflows. Unlike the district-wide statements, fixed asset purchases are expensed in the year of purchase, and long-term debt is not recorded as a liability. Reconciliations between the district-wide statements and the fund-level statements are provided on pages 18 and 23.

Some funds are required to be established by state law and by bond covenants. However, the District establishes many other funds to record and analyze financial information. The District's major governmental funds are the General Operating Fund and the Capital Project 2024 Construction Fund.

**The District as a Trustee**

Reporting the District's Fiduciary Responsibility

The District is the trustee or fiduciary for two trust funds. All of the District's fiduciary activities are reported in separate statements entitled Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. These funds are not available to finance the general operations of the District, and thus are not included in either the district-wide financial statements or the fund-level statements. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

GRAND RAPIDS PUBLIC SCHOOLS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024

**Condensed Financial Information and Analysis of the District's Overall Financial Position and Results of Operations**

The District as a Whole

The Statement of Net Position provides financial information on the District as a whole. Table 1 provides a summary of the District's net position as of June 30, 2024 and 2023.

Table 1: Statement of Net Position (in millions)

	June 30	
	2024	2023
Current assets	\$ 225.18	\$ 118.16
Net OPEB asset	5.47	
Capital and lease assets	314.80	295.75
Long term lease receivable	1.06	1.21
Deferred outflows	109.09	136.80
Total assets and deferred outflows of resources	655.60	551.92
Current liabilities	86.01	70.42
Non-current liabilities	579.87	579.03
Deferred inflows	123.14	110.68
Total liabilities and deferred inflows of resources	789.02	760.13
Net position		
Net investment in capital and lease assets	138.09	145.35
Restricted	13.55	5.65
Unrestricted	(285.06)	(359.21)
Total net position	<u>\$(133.42)</u>	<u>\$(208.21)</u>

The District's net position as of June 30, 2024 was (\$133.42) million. Capital and lease assets, net of related debt, totaling \$138.09 million, compares the original cost, less depreciation and amortization, of the District's capital assets to the 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, and includes the OPEB asset, to show legal constraints from debt covenants that limit the District's ability to use the net position for day-to-day operations. The remaining amount of net position, (\$285.06) million, was unrestricted. The unrestricted net position of governmental activities represent the accumulated results of all past years' operations plus the impact of the net pension liability and net OPEB (asset)/liability. The operating results of the General Fund will have a significant impact on the change in unrestricted net position from year to year.

GRAND RAPIDS PUBLIC SCHOOLS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024

The results of the 2024 fiscal year's operations for the District as a whole are presented in the Statement of Activities (Table 2). This table shows the change in total net position for the 2023-2024 and 2022-2023 school years.

Table 2: Changes in Net Position (in millions)

	Year Ended June 30	
	2024	2023
<u>Revenues</u>		
Program revenues		
Charges for services	\$6.38	\$ 7.97
Operating grants and contributions	162.87	140.82
Capital grants and contributions	.02	.20
General revenues		
Property taxes	73.80	69.16
State school aid, unrestricted	82.76	68.95
Federal revenue, unrestricted	.06	.04
Other general revenues	14.52	10.65
Total revenues	<u>340.41</u>	<u>297.79</u>
<u>Functions/program expenses</u>		
Instruction	108.32	107.05
Support services	115.71	104.02
Community services	1.56	2.36
Food service	15.23	13.49
GRASP	.26	.26
Interest on bonded debt	9.96	9.17
Other expenditures	3.05	1.87
Unallocated depreciation and amortization	11.53	11.35
Total expenses	<u>265.62</u>	<u>249.57</u>
Increase in net position	<u>74.79</u>	<u>48.22</u>
Net position – beginning of year	<u>(208.21)</u>	<u>(256.43)</u>
Net position – end of year	<u><u>\$(133.42)</u></u>	<u><u>\$(208.21)</u></u>

During the 2024 fiscal year, the net position of the District increased by approximately \$74.79 million.

GRAND RAPIDS PUBLIC SCHOOLS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024

As reported in the statement of activities, the cost of all of our governmental activities this year was \$265.62 million. Certain activities were partially funded from those who benefited from the programs (\$6.38 million) or by other governments and organizations that subsidized certain programs with grants and contributions (\$162.89 million). We paid for the remaining "public benefit" portion of our governmental activities with \$73.80 million in property taxes, \$82.76 million in state school aid (unrestricted), \$.06 million in federal unrestricted revenue and \$14.52 million with our other revenue.

As discussed above, the net cost shows the financial burden that was placed on the state and the 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 District and balance those needs with state-prescribed available unrestricted resources.

### **Analysis of Balances and Transactions of Individual Funds**

#### **Grand Rapids Public Schools' Funds**

The District uses funds to record and analyze financial information. Different funds are utilized for different purposes.

##### General Fund

The General Fund is our primary operating fund. The General Fund had total revenues of \$293,025,393, total expenditures of \$274,918,081, and total other financing uses, net of sources, of \$8,428,060. It ended the fiscal year with a fund balance of \$40,579,142.

##### Special Revenue Funds

The District operates a total of five special revenue funds, the most significant of which is the food service program. The total revenue of all special revenue funds was \$15,898,981, with total expenditures of \$17,709,469, and total other financing uses, net of sources, of \$571,940. The ending fund balance was \$2,346,247. Of the ending fund balance, \$92,407 is attributable to the food service fund.

##### Debt Service Funds

The District operates four debt service funds. Total revenues were \$25,975,061 and total expenses were \$22,532,891. The ending fund balance in the debt service funds was \$9,066,011.

GRAND RAPIDS PUBLIC SCHOOLS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024

Capital Project Funds

There are four capital project funds incorporated into the financial statements of the District. Total revenues were \$3,292,164 and total expenses were \$28,443,880. Total other financing sources, net of uses were \$114,348,067. The ending fund balance in the capital projects funds was \$110,765,745.

**Analysis of Differences Between Original and Final Budgeted Amounts and Between Actual and Budgeted Amounts**

The District revises its budget several times throughout the course of the year as it attempts to recognize unexpected changes to revenues and expenses. The final amendment to the operating budget was prepared in May and adopted by the Board in June 2024. A schedule showing the District's original and final adopted budgets, as well as final actual revenue and expense is provided in the annual report.

General Fund Highlights

There were a number of adjustments to the general operating budget to more accurately reflect current revenues and expenditures.

Revenue:

- The budgets for local, restricted state and federal revenue were adjusted during the year to account for changes related to several grant awards, as well as budget for grants (new and continuing) where awards were not available prior to the completion of the original budget. The District has received several grant awards related to COVID 19 pandemic relief.
- Several grant awards were not entirely expended during the 2024 fiscal year, but deferred into 2025, resulting in budget variances.
- Collection of delinquent property taxes was less than estimated, resulting in a budget variance.

Expenditures:

- The budget was adjusted to account for increases of several grant awards, as well as budget for grants that were awarded subsequent to the completion of the original budget.



GRAND RAPIDS PUBLIC SCHOOLS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024

**Description of Changes in Capital Assets and Long-term Debt During the Year**

**Capital Asset and Debt Administration**

Capital Assets

At June 30, 2024, the District's investment in capital and right to use assets (net of accumulated depreciation and amortization), including land, buildings, vehicles, furniture and other equipment, was \$314.80 million.

	June 30	
	2024	2023
Land	\$ 7,609,136	\$ 7,609,136
Construction in progress	4,287,954	37,245,087
Buildings	426,181,275	381,656,691
Vehicles	3,153,974	3,016,839
Furniture and equipment	97,564,713	72,390,757
Right to use assets	3,495,936	3,495,936
Total capital and right to use assets	542,292,988	505,414,446
Accumulated depreciation and amortization	227,495,676	209,668,941
	\$314,797,312	\$295,745,505

This year's additions, net of depreciation, amortization and disposals, included major building renovations, vehicles, instructional computers and other technology. We present more detailed information about our capital assets in the Notes to the Financial Statements.

Debt Administration

At June 30, 2024, the outstanding bonded indebtedness of the District was \$249,340,000. Those bonds consisted of:

	June 30	
	2024	2023
General obligation bonds	\$249,340,000	\$168,850,000

GRAND RAPIDS PUBLIC SCHOOLS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024

The state limits the amount of general obligation debt that schools can issue to 15 percent of the assessed value of all taxable property within the District's boundaries. The District's other obligations include accrued vacation pay, sick leave, and workers' compensation. We present more detailed information about our long-term liabilities in the Notes to the Financial Statements.

**Economic Factors and Budget Planning**

Many factors are considered when the Board of Education and the District administration work to project financial information and to develop the budget and operation plan for the upcoming fiscal year. The District is aware of the following circumstances that could significantly affect its future financial health: the largest portion of the District's revenue available for general operations is derived from the state foundation grant. The foundation grant is based upon the student FTE count. Thus, projecting student FTE is the single most important factor in projecting revenue. Our state foundation revenue is determined by multiplying the blended student count by the foundation allowance per pupil. Foundation revenue was calculated for the year ended June 30, 2024 using 90% of the audited October 2023 student count and 10% of the audited February 2023 student count.

The District has experienced a declining enrollment trend in recent years. Enrollment for fall 2023 was relatively unchanged with a marginal increase to 13,694 from the fall 2022 enrollment of 13,666.

Rising special education costs continue to financially burden the District. During the 2024 fiscal year, we had to use approximately \$10.5 million to cover the excess costs of special education. These are dollars that must either come from general education, or from the unrestricted net assets of the District. Mandated special education services have never been adequately funded by the government bodies that made them law. Therefore, districts such as the Grand Rapids Public Schools have struggled and have been forced to use dollars intended for general education programs to cover special education costs.

**Contacting the District's Financial Management**

This report is designed to provide an overview of the financial condition of the Grand Rapids Public Schools. If you have questions about this report, or desire additional information, please contact the business office.

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GRAND RAPIDS PUBLIC SCHOOLS  
STATEMENT OF NET POSITION  
JUNE 30, 2024

Assets	
Current assets	
Cash and investments (Note B)	\$ 54,244,885
Restricted assets (Note B)	115,564,285
Receivables (Note C)	
State aid	29,569,145
Accounts receivable	4,412,930
Property taxes	107,165
Interest	28,476
Total receivables	34,117,716
Due from other governmental agencies	16,254,371
Prepaid expenditures and other assets	4,403,700
Inventory	451,190
Lease receivable (Note H)	145,290
Total current assets	225,181,437
Non current assets	
Net OPEB asset (Note I)	5,474,023
Capital and right to use assets, net of accumulated depreciation and amortization (Note D)	314,797,312
Long term lease receivable (Note H)	1,063,160
Total non current assets	321,334,495
Deferred outflows of resources	
Deferred charges on bond refunding (Note E)	1,740,661
Deferred outflows related to pensions (Note I)	88,764,770
Deferred outflows related to OPEB (Note I)	18,578,689
Total deferred outflows of resources	109,084,120
Total assets and deferred outflows of resources	\$ 655,600,052

The Notes to the Financial Statements are an integral part of this statement.

GRAND RAPIDS PUBLIC SCHOOLS  
STATEMENT OF NET POSITION  
JUNE 30, 2024

Liabilities	
Current liabilities	
Accounts payable	\$ 15,519,528
Accrued salaries, benefits, withholdings and payroll taxes	15,846,011
Other liabilities	2,878,507
Unearned revenue (Note C)	
Programs financed by other governmental agencies	23,677,027
Due to other governmental agencies	6,191,223
Due to private-purpose trust and agency funds	74,865
Current portion of bond premium (Note E)	2,491,369
Current portion of long term obligations (Note E)	18,465,000
Current portion of other long term obligations (Note E)	717,090
Current portion of long term lease obligations (Note G)	149,225
Total current liabilities	<u>86,009,845</u>
Non current liabilities	
Serial bonds payable (Note E)	230,875,000
Bond premium (Note E)	30,069,640
Net pension liability (Note I)	313,471,751
Other long term liabilities (Note E)	3,667,763
Long term lease obligations (Note G)	1,787,906
Total non current liabilities	<u>579,872,060</u>
Total liabilities	<u>665,881,905</u>
Deferred inflows of resources	
Deferred inflows related to pension and revenue in support of pension payment (Note I)	71,154,471
Deferred inflows related to OPEB and revenue in support of OPEB payment (Note I)	50,890,313
Deferred inflows related to leases (Note H)	1,095,087
Total deferred inflows of resources	<u>123,139,871</u>
Net position	
Net investment in capital assets	138,093,237
Restricted for:	
Debt service	6,180,687
Capital projects	1,897,981
Food service	
Net OPEB Asset	5,474,023
Total restricted	<u>13,552,691</u>
Unrestricted	(285,067,652)
Total net position	<u><u>\$ (133,421,724)</u></u>

The Notes to the Financial Statements are an integral part of this statement.

GRAND RAPIDS PUBLIC SCHOOLS  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2024

	Expenses	Charges for Services	Program Revenues Operating Grants and Contributions
Governmental activities:			
Instruction	\$ 108,316,655	\$ 236,292	\$ 53,558,461
Support services	115,716,243	5,516,818	92,441,428
Community services	1,560,576		1,692,819
Food service	15,229,082	237,065	13,843,583
GRASP	256,125	319,128	
Interest on bonded debt	9,960,050		
Other	3,056,861	72,903	1,328,559
Unallocated depreciation and amortization	11,529,039		
Total governmental activities	\$ 265,624,631	\$ 6,382,206	\$ 162,864,850
General purpose revenues:			
Property taxes - levied for general operations			
Property taxes - levied for debt service			
Property taxes - collected for sinking fund			
State school aid - unrestricted			
Federal revenue - unrestricted			
Investment income			
Other			
Total general purpose revenues			
Change in net position			
Net position at beginning of year			
Net position at end of year			

The Notes to the Financial Statements are an integral part of this statement.

<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>
	\$ (54,521,902)
	(17,757,997)
	132,243
	(1,148,434)
	63,003
	(9,960,050)
\$ 29,500	(1,625,899)
	(11,529,039)
<u>\$ 29,500</u>	<u>(96,348,075)</u>
	49,125,616
	24,671,064
	764
	82,753,795
	64,317
	6,749,359
	7,773,333
	171,138,248
	74,790,172
	(208,211,896)
	<u>\$ (133,421,724)</u>

GRAND RAPIDS PUBLIC SCHOOLS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2024

	General
<b>Assets</b>	
Cash and investments (Note B)	\$ 50,972,800
Restricted assets (Note B)	
Receivables (Note C)	
State aid	29,434,263
Accounts receivable	4,314,685
Property taxes	
Interest	28,476
Total receivables	33,777,424
Due from other governmental agencies	15,994,961
Prepaid expenditures	4,403,700
Due from other funds (Note J)	2,055,056
Inventory	358,783
Total assets	\$ 107,562,724
<b>Liabilities</b>	
Accounts payable	\$ 13,701,018
Accrued salaries, benefits, withholdings and payroll taxes	15,846,011
Other liabilities	20,121
Unearned revenue (Note C)	
Programs financed by other governmental agencies	23,677,027
Due to other governmental agencies	6,191,223
Due to other funds (Note J)	6,678,182
Deferred inflows of resources	
Unavailable revenue - grants (Note C)	870,000
Total liabilities	66,983,582
<b>Fund balances</b>	
Nonspendable	
Inventory and prepaid expenditures	4,762,483
Endowment	
Restricted	
Capital projects	
Debt service	
Special revenue (Note A)	
Committed	
Student / school activity	
Assigned	
General Fund	
Budgeted use of fund balance for 2024-2025 fiscal year	11,034,281
Capital projects	
Special revenue (Note A)	
Unassigned	
General fund	24,782,378
Total fund balances	40,579,142
Total liabilities, deferred inflows of resources and fund balances	\$ 107,562,724

The Notes to the Financial Statements are an integral part of this statement.



Capital Projects 2024 Construction	Nonmajor Governmental Funds	Total Governmental Funds
\$ 106,414,787	\$ 3,272,085	\$ 54,244,885
	9,149,498	115,564,285
	134,882	29,569,145
	98,245	4,412,930
	107,165	107,165
		28,476
	340,292	34,117,716
	259,410	16,254,371
		4,403,700
	6,603,317	8,658,373
	92,407	451,190
<u>\$ 106,414,787</u>	<u>\$ 19,717,009</u>	<u>\$ 233,694,520</u>
\$ 1,216,389	\$ 602,121	\$ 15,519,528
		15,846,011
	80,227	100,348
		23,677,027
		6,191,223
34,568	2,020,488	8,733,238
		870,000
<u>1,250,957</u>	<u>2,702,836</u>	<u>70,937,375</u>
	92,407	4,854,890
	258,875	258,875
105,163,830	190,423	105,354,253
	9,066,011	9,066,011
	240,612	240,612
	994,381	994,381
		11,034,281
	5,411,492	5,411,492
	759,972	759,972
		24,782,378
<u>105,163,830</u>	<u>17,014,173</u>	<u>162,757,145</u>
<u>\$ 106,414,787</u>	<u>\$ 19,717,009</u>	<u>\$ 233,694,520</u>

The Notes to the Financial Statements are an integral part of this statement.

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GRAND RAPIDS PUBLIC SCHOOLS  
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES  
JUNE 30, 2024

Total governmental fund balances		\$ 162,757,145
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets and lease assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$542,292,988 and the accumulated depreciation and amortization is \$227,495,676.	314,797,312	
Deferred interest charges on bond refunding are capitalized in governmental activities and recognized as component of interest expense in a systematic manner over the life of the debt.	1,740,661	
Deferred outflow pension	88,764,770	
Deferred outflow other post employment benefits	18,578,689	
Long-term liabilities, including bonds payable and lease liabilities, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:		
Bonds payable	249,340,000	
Bond premium	32,561,009	
Compensated absences	4,016,209	
Workers' compensation benefits	349,901	
Unemployment compensation	18,743	
Net pension liability	313,471,751	
Net other post employment benefits asset	(5,474,023)	
Lease asset obligations	1,937,131	
Total long-term liabilities		(596,220,721)
Accrued interest is not included as a liability in governmental funds.		(2,778,159)
Deferred inflows related to pension investment returns and changes in assumptions and revenue in support of pension contributions subsequent to the measurement date are not reported in the governmental funds		(71,154,471)
Deferred inflow- unavailable grant revenue		870,000
Deferred inflows related to OPEB investment returns and changes in assumptions and revenue in support of OPEB contributions subsequent to the measurement date are not reported in the governmental funds		(50,890,313)
Deferred inflows related to leases and lease receivables		113,363
Total net position - governmental activities		\$ (133,421,724)

The Notes to the Financial Statements are an integral part of this statement.

GRAND RAPIDS PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2024

	General	Capital Projects 2024 Construction	Formerly Major Capital Projects 2019 Construction
Revenue:			
Local sources:			
Property taxes	\$ 49,125,616		
Investment income	3,035,307	\$ 1,742,126	
Payment from local governmental agencies	24,479,967		
Food service			
GRASP			
Other	3,672,773		
Total local sources	<u>80,313,663</u>	<u>1,742,126</u>	
State sources:			
Restricted	59,481,555		
Unrestricted	82,509,846		
Total state sources	<u>141,991,401</u>		
Federal sources:			
Restricted	70,656,011		
Unrestricted	64,317		
Total federal sources	<u>70,720,328</u>		
Total revenue	<u>\$ 293,025,392</u>	<u>\$ 1,742,126</u>	

The Notes to the Financial Statements are an integral part of this statement.

Nonmajor Governmental Funds	Total Governmental Funds
\$ 24,671,828	\$ 73,797,444
1,971,926	6,749,359
	24,479,967
237,065	237,065
319,128	319,128
1,495,493	5,168,266
<u>28,695,440</u>	<u>110,751,229</u>
1,300,254	60,781,809
243,949	82,753,795
<u>1,544,203</u>	<u>143,535,604</u>
13,184,437	83,840,448
	64,317
<u>13,184,437</u>	<u>83,904,765</u>
<u>\$ 43,424,080</u>	<u>\$ 338,191,598</u>

GRAND RAPIDS PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2024

	General	Capital Projects 2024 Construction	Formerly Major Capital Projects 2019 Construction
Expenditures:			
Instruction	\$ 137,342,475		
Support services	135,763,562		
Community services	1,704,294		
Food service			
GRASP			
Bond principal maturities (Note E)			
Interest on bonded debt			
Capital outlay	107,750	\$ 1,250,956	
Other		675,407	
Total expenditures	<u>274,918,081</u>	<u>1,926,363</u>	
Other financing sources (uses):			
Issuance of bonds (Note E)		94,700,000	
Premium on debt issuance (Note E)		10,648,067	
Transfers from other funds (Note J)	705,162		
Transfers to other funds (Note J)	(9,133,222)		
Total other financing sources (uses)	<u>(8,428,060)</u>	<u>105,348,067</u>	
Net change in fund balances	<u>9,679,252</u>	<u>105,163,830</u>	
Fund balances at beginning of year, as previously reported	30,899,890		\$ 19,652,772
Change within financial reporting entity (Note A)			(19,652,772)
Fund balances at beginning of year, as adjusted or revised	<u>30,899,890</u>		
Fund balances at end of year	<u>\$ 40,579,142</u>	<u>\$ 105,163,830</u>	<u>\$</u>

The Notes to the Financial Statements are an integral part of this statement.

Nonmajor Governmental Funds	Total Governmental Funds
	\$ 137,342,475
	135,763,562
	1,704,294
\$ 16,340,335	16,340,335
316,394	316,394
14,210,000	14,210,000
8,250,610	8,250,610
25,835,450	27,194,156
1,807,088	2,482,495
<u>66,759,877</u>	<u>343,604,321</u>
	94,700,000
	10,648,067
9,133,222	9,838,384
(705,162)	(9,838,384)
<u>8,428,060</u>	<u>105,348,067</u>
<u>(14,907,737)</u>	<u>99,935,345</u>
12,269,138	62,821,800
19,652,772	
<u>31,921,910</u>	<u>62,821,800</u>
<u>\$ 17,014,173</u>	<u>\$ 162,757,145</u>

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GRAND RAPIDS PUBLIC SCHOOLS  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2024

Total net change in fund balances - governmental funds	\$ 99,935,345
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report fixed asset additions as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation and amortization. This is the amount by which fixed asset additions of \$37,038,662 exceeded depreciation and amortization of \$17,970,843.	19,067,819
Net book value of disposed assets not reflected in the governmental funds	(16,012)
Repayment of bond principal and lease liabilities is an expenditure in the governmental funds, but not in the statement of activities (where it reduces long-term debt and lease liabilities). This is the amount of repayments reported as expenditures in the governmental funds.	14,210,000
Proceeds from sale of bonds is a revenue in the governmental funds, the proceeds increase long-term liabilities in the statement of net assets.	(94,700,000)
Entering into leases provides current financial resources to governmental funds, but increase long-term liabilities in the statement of net position	502,654
Premium on debt issuance is a revenue in the governmental funds, the proceeds increase long-term liabilities in the statement of net position	(10,648,067)
Decrease in net pension and related net deferred inflows and outflows	25,061,016
Decrease in other post employment benefits and related net deferred inflows and outflows	21,299,690
Deferred inflows related to leases	31,809
Decrease in other long-term debt and other liabilities	189,059
Accrued interest is recorded in the statement of activities when incurred; it is not reported in the governmental funds until paid.	(1,425,614)
Amortization of deferred interest charges on bond refunding	(283,826)
Amortization of bond premiums	2,207,407
Unavailable revenue - certain grant revenue was not available to pay current period expenditures; therefore, are deferred in the governmental funds.	(641,108)
Change in net position of governmental activities	<u><u>\$ 74,790,172</u></u>

The Notes to the Financial Statements are an integral part of this statement.

GRAND RAPIDS PUBLIC SCHOOLS  
STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2024

	<u>Private-Purpose Trust Funds</u>
Assets:	
Due from other funds (Note J)	<u>\$          74,865</u>
Total assets	<u><u>\$          74,865</u></u>
Net position	
Restricted for endowments	<u><u>\$          74,865</u></u>

The Notes to the Financial Statements are an integral part of this statement.

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GRAND RAPIDS PUBLIC SCHOOLS  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2024

	Private-Purpose Trust Funds
Revenue	
Investment income	\$ 3,489
Expenditures	
Other	1,000
Change in net position	2,489
Net position at the beginning of year	72,376
Net position at the end of year	\$ 74,865

The Notes to the Financial Statements are an integral part of this statement.

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note A -- Significant Accounting Policies**

Reporting Entity

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government of the District consists of all funds, departments, and agencies that are not legally separate from the District. For the Grand Rapids Public Schools, this includes general operations, food service, and other student and supportive service activities of the District.

Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District in that the District approves their budget, the issuance of their debt, or the levying of taxes. Grand Rapids Public Schools has no component units.

These financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Fund Accounting

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. Major funds are presented individually in the fund-level financial statements. The District's major funds are the General Fund and the Capital Projects 2024 Construction Fund. The nonmajor funds are combined and presented as one column in the fund-level financial statements. Nonmajor funds are grouped by type in the supplementary information section. The financial activities of the District are recorded in the following fund types and individual funds:

Governmental Funds

The General Fund is used to record transactions relating to general operation activities needed to provide a full range of educational programs for students. These programs are funded primarily by the District's share of property taxes that are collected by the City of Grand Rapids, state aid revenue and various grants and awards from other governmental agencies.

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note A -- Significant Accounting Policies** (continued)

Governmental Funds (continued)

The Special Revenue Funds are used to record transactions and funds received for designated purposes which require separate accounting because of legal or regulatory provisions or administrative action. Separate funds are used to segregate, for administrative purposes, the transactions of a particular activity from regular revenue and expenditure accounts. The District maintains full control of these funds. The Special Revenue Funds maintained by the District are Food Service, Grand Rapids Academic Summer Program (GRASP), Houseman Field, Student/School Activity and Public Purpose Trust Funds. Any operating deficit generated by these activities is the responsibility of the General Fund.

The Debt Service Funds are used to record tax revenue and other revenue designated for retirement of bonded indebtedness and the related payments for debt service.

The Capital Project Funds are used to record bond proceeds or other revenue and the disbursement of monies specifically designed for acquiring new school sites, buildings, and equipment and for major remodeling and repairs. The funds are retained until the purpose for which the funds were created has been accomplished. The Capital Projects 2019 Construction Fund and the Capital Projects 2024 Construction Fund include capital project activities funded with bonds. For these capital projects, the District has complied with the applicable provisions of 1351a of the Revised School Code. The Capital Projects 2024 Construction Fund is not yet considered substantially complete and a subsequent year audit is expected.

Beginning with the year of bond issuance for the Capital Project 2019 Construction Fund, the District has reported annual construction activity in the Capital Project 2019 Construction Fund. The projects for which the 2019 School Building and Site Bonds were issued was considered complete on June 30, 2024, and the cumulative expenditures recognized for the construction period were \$94,315,149.

The Sinking Fund Capital Projects Fund records capital project activities funded with Sinking Fund millage. For this fund, authorized prior to March 29, 2017, the District has complied with the applicable provisions of Section 1212(1) of the State of Michigan's School Code and the State of Michigan Department of Treasury Letter No. 01-95.

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note A -- Significant Accounting Policies** (continued)

Governmental Funds (continued)

Fiduciary Funds

The Private-Purpose Trust Funds are used to account for assets held by the District in a trustee capacity. The District has certain fiduciary responsibility for its custodial funds. All of the 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 District's other financial statements because the District cannot use these assets to finance its operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The District accounts for a nonexpendable trust fund entrusted to the District to provide cash grants for student scholarships. Only the income portion of this trust may be spent. The District also maintains an expendable trust fund to account for funds entrusted to the District for general school needs for Lincoln School. The entire amount of this trust, both the principal and interest, may be spent for the donor-specified purposes.

Basis of Presentation

The District's financial statements include both district-wide statements and fund-level statements.

District-wide Statements - The district-wide statements provide information about the district as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The district-wide statements categorize primary activities as either governmental or business-type activities. All of the District's activities are classified as governmental.

The district-wide statements are prepared using the full accrual, economic resources measurement focus. All assets and deferred outflows along with liabilities and deferred inflows, both current and long-term, are recognized in the Statement of Net Position. The District's net position is reported in three categories: net investment in capital assets, restricted net position, and unrestricted net position.

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note A -- Significant Accounting Policies** (continued)

Basis of Presentation (continued)

The district-wide Statement of Activities presents a comparison between direct expenses and program revenues for each of the District's functions. Direct expenses are those that are specifically associated with a service, program or department, and are therefore clearly identifiable to a particular function. Program revenues include charges paid for services, and grants and contributions that are restricted to meeting the operational or capital needs of a specific program. Revenues that are not classified as program revenues are presented as general revenues of the District. The comparison of direct expenses with program revenues identifies the extent to which each function is self-supporting, or draws from the general revenues of the District.

Fund-level Statements - Fund-level statements report detailed information about the District at the individual fund level. The focus of these statements is on major funds, rather than fund type. Each major fund is presented separately, with all non-major funds aggregated into a single column. Additional information about non-major funds can be found in the additional information accompanying these statements.

All governmental fund types are accounted for using a flow of current financial resources measurement focus. Fund-level statements include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balances. The Balance Sheet reports current assets, deferred outflows, current liabilities, deferred inflows and fund balance. The Statement of Revenues, Expenditures, and Changes in Fund Balances reports on the sources and uses of current financial resources. This differs from the economic resources measurement focus used to report at the district-wide level. A reconciliation between the two sets of statements is provided as a separate statement.

Fiduciary funds are reported using the economic resources measurement focus.



GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note A -- Significant Accounting Policies (continued)**

Basis of Accounting

The basis of accounting refers to when transactions are recorded in the financial statements. District-wide statements are prepared using the full accrual method of accounting. Revenues are recognized when earned, and expenses are recognized when incurred. The fund-level statements are prepared using the modified accrual basis of accounting. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. Revenue not meeting this definition is classified as a deferred inflow of resources. Under the modified accrual basis of accounting, revenues are recognized when they are both measurable and available to meet current expenditures. The District considers revenues available if collected within sixty days after year end for property taxes, state aid, interest, and entitlement funds and grants. Expenditures are recorded on an accrual basis because they are measurable when they are incurred. However, principal and interest on long-term obligations, compensated absences and claims and judgments are recognized when due.

Under the modified accrual basis, the following revenues are considered to be measurable and available to meet current resources: property taxes, state aid, interest income, grants and charges for services. Property taxes are recorded the year the taxes are levied. Under this method, revenue for fiscal year 2024 generally includes property taxes that were levied on July 1, 2023, and substantially collected during the first quarter of the 2023-2024 fiscal year.

Deferred Outflows/Inflows of Resources – In addition to assets, the statement of net position includes a separate section for deferred outflows of resources, which represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. The District has two items that qualify for reporting in this category. The District has a deferred charge on refunding reported in the district-wide statement of net position. A deferred charge on refunding results from the difference between the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or refunding debt. The other item is the deferred outflow related to the District's participation in the statewide pension and other post-employment benefits plans, as disclosed in Note I.

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note A -- Significant Accounting Policies** (continued)

Basis of Accounting (continued)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has four types of these items, including deferred inflows related to pension and revenue in support of pension payment, deferred inflows related to OPEB and revenue in support of OPEB payment, unavailable revenues from property taxes, grant and categorical state aid payments and future lease payments receivable. The first item arises only under a modified accrual basis of accounting, and is therefore only reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, grant and categorical state aid payments that are not collected during the period of availability. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Unearned revenue – Unearned revenue arises when assets are recognized before revenue recognition criteria are satisfied or eligibility requirements are met. In subsequent periods, when both revenue recognition criteria and eligibility requirements are met, the liability for unearned revenue is removed from the balance sheet and the revenue is recognized.

The State of Michigan utilizes a foundation allowance funding approach, which provides for a specific annual amount of revenue per student based on a statewide formula. The foundation allowance is funded from a combination of state and local sources. The School Aid Act and the School Code of Michigan primarily govern revenues from state sources. The state portion of the foundation is provided from the state’s School Aid Fund and is recognized as revenue in accordance with state law.

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

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note A -- Significant Accounting Policies** (continued)

Basis of Accounting (continued)

Grants and Intergovernmental Revenue - The District receives various grants from other governmental agencies to finance specific programs. Federal and state grants and assistance awards are recorded as intergovernmental receivables and revenue when the related expenditures are incurred and funds are received within sixty days after year end.

Cash and investments – Cash is cash, checking and savings deposits. Investments are recorded at fair value based on quoted market prices or estimated fair value, except for the investments in MILAF, which are valued at amortized cost or net asset value (NAV).

Inventories and prepaid costs - Inventories of supplies are stated at the lower of average cost or market on a first-in, first-out basis. Inventory purchases are expensed in the period that the related items are consumed. United States Department of Agriculture Commodities inventory received by the Food Service Fund is recorded as expense in the year received. Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both district-wide and fund-level financial statements.

Capital Assets – Capital assets, which include land, buildings, furniture and equipment, vehicles, and leased assets (further defined in the lease section below), are reported in the applicable governmental activities column in the district-wide financial statements. Capital assets are defined by the 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 their estimated acquisition value at date of donation. Capital assets are not included in the fund-level statements.

For assets purchased with proceeds from installment loans, the full cost of the assets is recorded as a current operating expenditure in the year of acquisition. The loans obtained to finance such purchases are recorded as an Other financing source in the General Fund.

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

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note A -- Significant Accounting Policies** (continued)

Basis of Accounting (continued)

Depreciation is calculated on all capital assets with the exception of land and construction in progress. Depreciation or amortization is computed on the straight-line basis over the following useful lives:

Buildings and improvements	20 – 99 years
Furniture and equipment	5 – 10 years
Vehicles	5 – 10 years
Lease assets – equipment	5 – 10 years

Other Liabilities - The liabilities for employee-compensated absences, unemployment and self-insurance are recorded in the district-wide financial statements. Amounts are recognized in the appropriate governmental fund in fund-level statements when due. The liabilities for employee-compensated absences have been calculated using the vesting method, in which leave amounts for both employees who are currently eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included.

Long-term Obligations – In the district-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as debt service expenditures.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond costs, during the current period. The face amount of debt is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

Leases – The District is a lessee for noncancellable leases of copiers and a school building. The District recognizes a lease liability and an intangible right-to-use lease asset in the governmental activities column in the district-wide financial statements. The District recognizes lease assets and liabilities with an initial value of \$5,000 or more.

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note A -- Significant Accounting Policies** (continued)

Basis of Accounting (continued)

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

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

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments.

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

Lease assets are reported with other capital assets and lease liabilities on the statement of net position.

Interfund Transactions - The District has numerous transactions between funds that include transfers of resources to meet legal and other operating requirements. These transactions are generally reflected as transfers in the accompanying financial statements. Outstanding balances between funds are reported as “due to/from other funds.”

Pension and Other Post-Employment Benefit (OPEB) Plans - For purposes of measuring the net pension liability and net OPEB asset, deferred outflows of resources and deferred inflows of resources related to each plan, pension and OPEB expense, information about the fiduciary net position of the Michigan Public School Employees Retirement System (MPERS) and additions to/deductions from MPERS fiduciary net position have been determined on the same basis as they are reported by MPERS. MPERS uses the economic resources measurement focus and the full accrual basis of accounting.

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note A -- Significant Accounting Policies** (continued)

Basis of Accounting (continued)

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 benefit terms. Related plan investments are reported at fair value.

Net Position – Net position of the District is classified in three components. Net investment in capital assets consists of capital assets net of accumulated depreciation and amortization and is reduced by the current balances if 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 capital or restricted. When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the District’s policy is to first apply restricted resources.

Fund Balance – In the fund-level financial statements, governmental funds report the following components of fund balance:

- Nonspendable: Amounts that are not in spendable form or are legally or contractually required to be maintained intact.
- Restricted: Amounts that are legally restricted by outside parties including grantors or contributors, constitutional provisions or enabling legislation for use for a specific purpose. This would include, but is not limited to bonded capital projects funds, debt service funds and food service funds.
- Committed: Amounts that have been formally set aside by the Board of Education for use for specific purposes. Commitments are made and can be rescinded only via resolution of the Board of Education.
- Assigned: Amounts that are intended to be used for specific purposes expressed by the Board of Education, Superintendent, or designee, who is authorized by board policy approved by the Board of Education to make assignments. This can include but is not limited to the budgeted use of fund balance for the next fiscal year. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

GRAND RAPIDS PUBLIC SCHOOLS  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2024

**Note A -- Significant Accounting Policies (continued)**

Basis of Accounting (continued)

Fund Balance (continued)

- Unassigned: Amounts that do not fall into any other category above. This is the residual classification for amounts in the general fund and represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes in the general fund. In other governmental funds, only negative unassigned amounts are reported, if any, and represents expenditures incurred for specific purposes exceeding the amounts previously restricted, committed, or assigned to those purposes.

For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first (when appropriate), followed in order by committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

Information relating to the nonmajor special revenue fund balances is summarized below:

	Nonspendable Inventory Endowment	Restricted	Committed	Assigned	Total
Food service	\$ 92,407				\$ 92,407
GRASP				\$744,179	744,179
Houseman Field				15,793	15,793
Student/School Activity			\$994,381		994,381
Public Purpose Trust	258,875	\$240,612			499,487
Total	<u>\$351,282</u>	<u>\$240,612</u>	<u>\$994,381</u>	<u>\$759,972</u>	<u>\$2,346,247</u>

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.

Michigan Public School Accounting Manual

The accompanying financial statements have been prepared on a basis substantially consistent with the Michigan Public School Accounting Manual (Bulletin 1022), which outlines the accounting procedures and policies for school districts required by the Michigan State Board of Education.

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note A -- Significant Accounting Policies (continued)**

Budgets

Formal budgets are adopted at the function level for the General Fund and Special Revenue Funds in accordance with Public Act 621, the Uniform Budgeting and Accounting Act, which mandates an annual budget process and an annual appropriations action to implement these budgets. Debt service fund budgets are also adopted on an activity level. Budgets are prepared on a basis consistent with generally accepted accounting principles. All budget amendments are approved by the Board of Education. In addition, an unappropriated budget is prepared for the Capital Projects Funds.

Budget requests are presented to the Chief Financial Officer each year. During May and June prior to the fiscal year for which the budgets are being adopted, the proposed budgets are finalized, and the Superintendent recommends their adoption to the Board of Education. A public hearing is held to review the budgets and, prior to July, the budgets are approved by the Board of Education. Budgets for the current year are continually reviewed for required revisions. Major changes are reviewed by the Chief Financial Officer prior to presentation to the Superintendent, the finance committee of the Board of Education and the Board of Education. Budgets for full and multi-funded programs are adjusted as notices of funding changes are received.

Budget to actual comparisons for the General Fund are presented in required supplementary information. The negative budget variances in the General Fund state restricted revenue and federal restricted revenue are related to expenditures in several grant programs being less than budget. Delinquent property taxes were less than estimated. There is a negative budget variance in the transfers in to General Fund from other funds, resulting from the indirect cost recovery amount transferred to the General Fund from the Food Service Fund. The transfer from the General Fund to the Houseman Field Fund was slightly more than budgeted.



GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note A -- Significant Accounting Policies** (continued)

Changes to or within the Financial Reporting Entity

Change in Major Funds

The Capital Projects 2019 Construction Fund was previously reported as a major fund but is now reported as a nonmajor fund for fiscal year 2024. The effects of this change is shown in the table below.

	June 30, 2023		June 30, 2023
	As Previously Reported	Change to or within the Financial Reporting Entity	As Restated
Governmental funds:			
Major funds:			
General Fund	\$30,899,890		\$30,899,890
Capital Projects 2019 Construction Fund	19,652,772	(\$19,652,772)	
Nonmajor funds	12,269,138	19,652,772	31,921,910
Total governmental funds	\$62,821,800		\$62,821,800

Upcoming Accounting Pronouncements

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

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note A -- Significant Accounting Policies** (continued)

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 revenues, 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 District's financial statements for the year ending June 30, 2026.

**Note B -- Cash and Investments**

State statutes and the District's investment policy authorize the District to make deposits in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The District is allowed to invest in U.S. Treasury or Agency obligations, U.S. government repurchase agreements, bankers' acceptances, commercial paper rated in the highest two classifications at the time of purchase that matures not more than 270 days after the date of purchase, mutual funds, and investment pools that are composed of authorized investment vehicles. The District's deposits are in accordance with statutory authority.

The District has approved three banks for the deposit of its funds. Currently, the District has funds on deposit at each of those banks.

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

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy requires that financial institutions be evaluated and only those with an acceptable risk level are used for the District's deposits for custodial credit risk. The District's deposits were reflected in the accounts of the banks (without recognition of checks written but not yet cleared or deposits in transit) at \$7,588,321. Of that amount \$524,098 was covered by federal depository insurance and \$7,064,223 was uninsured and uncollateralized. The District believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits.

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note B -- Cash and Investments** (continued)

Custodial Credit Risk of Investments

Custodial credit risk is the risk that, in the event of the failure of the counter-party, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District policy for custodial credit risk states that custodial credit risk will be minimized by limiting investments to the types of securities allowed by state law, and by pre-qualifying the financial institutions, broker/dealers, intermediaries and advisors with which the District will do business using the criteria established in the investment policy. At June 30, 2024 the District held no investment securities that were uninsured and unregistered.

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

Credit Risk

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The District’s investment policy does not further limit its investment choices.

At June 30, 2024 the maturities of investments and the credit quality ratings of debt securities (other than the U.S. government) are as follows:

<u>Investment</u>	<u>Fair Value</u>	<u>Maturities</u>	<u>Rating</u>	<u>Rating Organization</u>
Michigan Liquid Asset Fund – Cash Management	\$106,414,787	N/A	AAAm	Standard & Poor’s
PNC money market fund	7,404,441	N/A	AAAm	Standard & Poor’s
Fifth Third Securities money market fund	171,023	N/A	AAAm	Standard & Poor’s
Federated Government Securities	852,033	N/A	AAAm	Standard & Poor’s

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note B -- Cash and Investments** (continued)

Investment Restrictions

The Michigan Liquid Asset Fund – Cash Management investment has no limitations or restrictions on participant withdrawals except for a one-day minimum investment period.

Concentration of Credit Risk

The District places no limit on the amount the District may invest in any one issuer. The 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 security or issuer will be minimized. More than five percent of the District's investments are in Michigan Liquid Asset Fund, Michigan Cooperative Liquid Assets Securities System and PNC Bank which are 61.6%, 29.1% and 7.8%, respectively, of the District's total investments.

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 District's policy prohibit investment in foreign currency.

Fair Value Measurement

The 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; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or 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 District's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note B -- Cash and Investments** (continued)

Fair Value Measurement (continued)

The District has the following recurring fair value measurements as of June 30, 2024:

<u>Investment</u>	<u>Balance at June 30, 2024</u>	<u>Quoted Prices (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Equity securities:				
Corporate stock-donated	\$20,104	\$20,104		
Total investments	<u>\$20,104</u>	<u>\$20,104</u>		

Equity securities classified in Level 1 are valued using prices quoted in active markets for those securities.

The District holds shares in an investment pool where the fair value of the investments are measured on a recurring basis using net asset value per share of the investment pool as a practical expedient.

At the year ended June 30, 2024, the fair value, unfunded commitments, and redemption rules of those investments is as follows:

<u>Investment</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Michigan CLASS investment pool	\$50,336,336	None	N/A	None
Total investments	<u>\$50,336,336</u>			

The valuation method for the Michigan Class investment pool measured at the net asset value (NAV) per share (or its equivalent) is principally based on the use of prices that are quoted in active markets for the respective securities. The Michigan Class investment pool invests in U.S. treasury obligations, federal agency obligations of the U.S. government, high-grade commercial paper (rated ‘A-1’ or better) collateralized bank deposits, repurchase agreements (collateralized at 102% by Treasuries and agencies), and approved money-market funds. The program is designed to meet the needs of Michigan public sector investors. It purchases securities that are legally permissible under state statutes and are available for investment by Michigan counties, cities, townships, school districts, authorities and other public agencies.

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note C - Receivables**

Receivables as of June 30, 2024 for the District’s individual major funds and the nonmajor funds, and fiduciary funds in the aggregate are as follows:

	General Fund	Nonmajor Governmental Funds	Total
State aid	\$29,434,263	\$134,882	\$29,569,145
Accounts receivable	4,314,685	98,245	4,412,930
Property taxes		107,165	107,165
Interest	28,476		28,476
Less allowance for uncollectible accounts			
<b>Total</b>	<b>\$33,777,424</b>	<b>\$340,292</b>	<b>\$34,117,716</b>

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 the end of the current fiscal year, the various components of unearned and unavailable revenue are as follows:

	Deferred Inflow - Unavailable	Liability - Unearned
Unavailable grant revenue	\$870,000	
Grant and categorical state aid payments received prior to meeting all eligibility requirements		\$23,677,027
<b>Total</b>	<b>\$870,000</b>	<b>\$23,677,027</b>

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note D -- Capital Assets**

Information relating to capital assets is summarized below:

	Balance July 1, 2023	Additions	Disposals	Transfers	Balance June 30, 2024
Non-depreciating assets:					
Land	\$ 7,609,136				\$7,609,136
Construction in progress	37,245,087	\$28,070,114		\$(61,027,247)	4,287,954
Other capital assets:					
Buildings and additions	381,656,691		\$160,120	44,684,704	426,181,275
Vehicles	3,016,839	137,135			3,153,974
Furniture and equipment	72,390,757	8,831,413		16,342,543	97,564,713
Right to use assets	3,495,936				3,495,936
Subtotal	<u>460,560,223</u>	<u>8,968,548</u>	<u>160,120</u>	<u>61,027,247</u>	<u>530,395,898</u>
Accumulated depreciation and amortization:					
Buildings and additions	173,649,866	9,072,729	144,108		182,578,487
Vehicles	2,162,808	152,785			2,315,593
Furniture and equipment	32,764,897	8,301,232			41,066,129
Right to use assets	1,091,370	444,097			1,535,467
Subtotal	<u>209,668,941</u>	<u>17,970,843</u>	<u>144,108</u>		<u>227,495,676</u>
Net other capital assets	<u>250,891,282</u>	<u>(9,002,295)</u>	<u>16,012</u>	<u>61,027,247</u>	<u>302,900,222</u>
Net capital assets	<u>\$295,745,505</u>	<u>\$19,067,819</u>	<u>\$ 16,012</u>		<u>\$314,797,312</u>

Depreciation and amortization expense was charged to activities of the District as follows:

Instruction	\$4,347,100
Support services	1,674,269
Food service	420,435
Unallocated	<u>11,529,039</u>
Total governmental activities	<u>\$17,970,843</u>

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note E -- Long-Term Debt**

Serial and Variable Bonds Payable

Information relating to serial and variable bonds payable is summarized below:

	<u>Balance July 1, 2023</u>	<u>Additions</u>	<u>Payments/ Amortization</u>	<u>Balance June 30, 2024</u>	<u>Due Within One Year</u>
March 16, 2016 Issue: 4.0% to 5.0% serial bonds due in annual installments ranging from \$2,225,000 to \$9,410,000 with a final maturity in 2039	\$74,960,000		\$(4,560,000)	\$70,400,000	\$4,705,000
March 21, 2017 Issue: 5.0% serial bonds due in annual installments ranging from \$4,150,000 to \$5,295,000 with a final maturity in 2029	28,240,000		(4,150,000)	24,090,000	4,360,000
May 14, 2019 Issue: 5.0% serial bonds due in annual installments ranging from \$1,800,000 to \$4,150,000 with a final maturity in 2044	61,950,000		(1,800,000)	60,150,000	1,900,000
December 21, 2021 Issue: 0.74% to 1.03% refunding bonds due in annual installments with a final payment of \$3,700,000 paid in 2024	3,700,000		(3,700,000)		
March 6, 2024 Issue: 5.0% serial bonds due in annual installments ranging from \$0 to \$7,500,000 with a final maturity in 2049		<u>94,700,000</u>		<u>94,700,000</u>	<u>7,500,000</u>
	168,850,000	94,700,000	(14,210,000)	249,340,000	18,465,000
Premium on issuance of March 16, 2016 bonds	10,754,172		(974,008)	9,780,164	974,008
Premium on issuance of March 21, 2017 bonds	3,274,312		(569,445)	2,704,867	569,445
Premium on issuance of May 14, 2019 bonds	10,091,865		(521,993)	9,569,872	521,993
Premium on issuance of March 6, 2024 bonds		<u>10,648,067</u>	<u>(141,961)</u>	<u>10,506,106</u>	<u>425,923</u>
	24,120,349	10,648,067	(2,207,407)	32,561,009	2,491,369
	<u>\$192,970,349</u>	<u>\$105,348,067</u>	<u>\$(16,417,407)</u>	<u>\$281,901,009</u>	<u>\$20,956,369</u>



GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note E -- Long-Term Debt** (continued)

Serial and Variable Bonds Payable (continued)

At June 30, 2024, the District had deferred outflows of \$1,740,661 related to deferred charges on bond refundings.

Proceeds of the March 16, 2016 serial bonds were used to advance refund a portion of the District's April 1, 2007 bonds and to finance major construction and renovation projects, as well as security and technology projects throughout the District. The advance refunding resulted in a difference between the acquisition price and the net carrying amount. This difference is reported as a deferred outflow – deferred interest and is charged to operations through the year 2030 using the straight-line method of amortization. Additionally, the bond premium is reported as an addition to bonds payable and has been allocated to the advance refunding and the building and site construction. The premium for the advance refunding will be credited to interest expense annually through the year 2031 using the straight-line method of amortization. The premium for the building and site construction was proportionately reduced in 2022 in the amount of \$1,512,884 resulting from the issuance of the December 21, 2021 refunding bonds, which reduced the March 2016 serial bond principal by \$9,725,000. The amortization of premium was reduced annually by \$24,877 to \$974,008 and will be credited to interest expense annually through the year 2039 using the straight-line method of amortization. The debt service on the March 16, 2016 serial bonds is being repaid using property tax revenue obtained through annual debt millage levied by the District.

Proceeds of the March 21, 2017 serial bonds were used to currently refund \$51,910,000 of the March 6, 2007 bonds. The current refunding resulted in a difference between the acquisition price and the net carrying amount of the March 6, 2007 bonds of \$1,050,974. This difference is reported as a deferred outflow – deferred interest and will be charged to operations through the year 2029 in the amount of \$87,581 using the straight-line method of amortization. Additionally, the bond premium amount of \$6,833,343 is reported as an addition to bonds payable. The premium for the current refunding will be credited to interest expense annually through the year 2029 in the amount of \$569,445 using the straight-line method of amortization. The debt service on the March 21, 2017 serial bonds is being repaid using property tax revenue obtained through annual debt millage levied by the District.

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note E -- Long-Term Debt** (continued)

Serial and Variable Bonds Payable (continued)

Proceeds of the May 14, 2019 issue were used to provide approximately \$87 million (net of total issuance costs of approximately \$653,000) of funding for school building and site construction, as well as security and technology projects throughout the District. The bond premium amount of \$12,266,836 is reported in the accompanying statements as an addition to bonds payable and will be credited to interest expense annually through the year 2044 in the amount of \$521,993 using the straight-line method. The debt service on the May 14, 2019 serial bonds is being repaid using property tax revenue obtained through annual debt millage levied by the District.

Proceeds of the December 21, 2021 issue were used to advance refund \$9,725,000 of the March 16, 2016 bonds and are general obligation unlimited tax, federally taxable bonds. The advance refunding resulted in a difference between the acquisition price and the net carrying amount of the March 16, 2016 bonds of \$164,716. This difference is reported in the accompanying statements as a deferred outflow – deferred interest and is charged to current operations. The debt service on the December 21, 2021 refunding funds is being repaid using property tax revenue obtained through annual debt millage levied by the District.

During the year, the District issued \$94,700,000 in general obligation-unlimited tax bonds. These 25-year bonds bear interest at 5.0 percent and were issued at a premium of \$10,648,067. The issue will be used to provide approximately \$105 million (net of total issuance cost of approximately \$675,000) of funding for school building and site construction, as well as security and technology projects throughout the District. The bond premium amount of \$10,648,067 is reported in the accompanying statements as an addition to bonds payable and will be credited to interest expense annually through the year 2049 in the amount of \$424,508 using the straight-line method. The debt service on the March 6, 2024 serial bonds is being repaid using property tax revenue obtained through annual debt millage levied by the District.

In prior years, the District defeased certain bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the basic financial statements. At June 30, 2024, \$68,385,000 of bonds outstanding are considered defeased.

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note E -- Long-Term Debt** (continued)

Serial and Variable Bonds Payable (continued)

General obligation bonds of the District are backed by its full faith and credit. Qualified bonds are fully guaranteed by the State of Michigan. The District does not have any qualified bonds. At June 30, 2024, the District’s legal debt limit for total bonded debt is \$1.39 billion. After reducing this limit for bonded debt currently outstanding, the District’s legal debt margin is approximately \$1.14 billion at June 30, 2024.

Principal and Interest Payments

Principal and interest payments are recorded as expenditures in the fiscal year in which payment is due. The annual requirements to pay principal and interest on all long-term debt at June 30, 2024 are as follows (fiscal years):

Year Ending June 30	Other Debt		
	Principal	Interest	Total
2025	\$18,465,000	\$ 13,142,903	\$31,607,903
2026	15,440,000	11,493,750	26,933,750
2027	12,045,000	10,719,250	22,765,250
2028	12,630,000	10,114,500	22,744,500
2029	13,200,000	9,480,500	22,680,500
2030 to 2034	50,845,000	38,598,250	89,443,250
2035 to 2039	52,110,000	26,110,000	78,220,000
2040 to 2044	43,765,000	13,960,000	57,725,000
2045 to 2049	30,840,000	4,776,500	35,616,500
Total	<u>\$249,340,000</u>	<u>\$138,395,653</u>	<u>\$387,736,653</u>

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note E -- Long-Term Debt** (continued)

Other Long-Term Liabilities

The District is required to recognize certain other long-term liabilities in the district-wide financial statements. Information relating to other long-term liabilities is summarized below:

	Balance July 1, 2023	Additions / Adjustments	Payments	Balance June 30, 2024	Due Within One Year
Compensated absences:					
Vacation	\$2,266,659	\$ 765,608	\$ (829,135)	\$2,203,132	\$367,189
Sick leave	2,024,638	4,175,863	(4,387,424)	1,813,077	
Workers' compensation (see Note F)	280,555	487,582	(418,236)	349,901	349,901
Unemployment (see Note F)	2,060	56,576	(39,893)	18,743	
	<u>\$4,573,912</u>	<u>\$5,485,629</u>	<u>\$(5,674,688)</u>	<u>\$4,384,853</u>	<u>\$717,090</u>

The liabilities for compensated absences, workers' compensation and unemployment will be paid with the District's General Fund resources.

Accumulated Sick Pay Benefits

The District has negotiated contracts with its employees, which provide for payments for accumulated unused sick days to eligible employees upon retirement. Exempt staff are eligible for payment of unused sick days, upon separation from the district, if they are vested in their retirement plan. Teachers are also eligible upon resignation after 20 years of service, if notice is given before spring break. Payments vary up to a maximum of \$60 per day for each credited sick day as specified in the contracts. Sick leave benefits totaling approximately \$1,813,000 at June 30, 2024 are recorded in the district-wide financial statements as part of the liability for compensated absences.

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note F -- Risk Management**

The District is exposed to various risks of loss related to property loss, torts, errors and omissions, and employees' injuries (workers' compensation). The District has purchased commercial insurance for employee medical, dental, and vision claims, as well as errors and omissions, foreign travel, board of education personal liability, workers' compensation excess, and athletic accident claims. The District participates in the Middle Cities Risk Management Trust for claims relating to general liability, employers' liability, property, auto, and boiler and machinery. 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 District participates operates as a common risk-sharing management program for school districts in Michigan; member contributions are used to purchase commercial excess insurance coverage and to pay member claims in excess of deductible amounts.

The District is partially self-insured for workers' compensation and unemployment claims. The District estimates, by using methods described below, the liabilities for claims that have been incurred through the end of the fiscal year. This estimate includes claims that have been reported, as well as those that have not yet been reported. The portion of these liabilities considered due is recorded in the General Fund. The remaining estimated liabilities are recorded as long-term liabilities in the district-wide financial statements. Management believes such reserves are reasonable estimates of ultimate liabilities. However, these estimates may be more or less than the amounts actually paid when the claims are resolved.

Workers' Compensation

The District is exposed to various risks of loss related to employees' job-related injuries. The District, in an effort to control the rising costs of insurance, has decided to pay the first \$500,000 of each workers' compensation claim. Excess insurance is purchased to pay claims above this amount, to the statutory limit for workers' compensation for the State of Michigan for employee injury and \$1,000,000 for employer's liability. The District pays all claims, settlements, and judgments from its General Fund resources.

The liability presented as of June 30, 2024 has been established by the District's third-party claims administrator. As of June 30, 2024, the District recorded claims reserves of \$349,901 as a long-term liability.

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note F -- Risk Management** (continued)

Unemployment

The District is a reimbursing employer for unemployment. The District paid the 2022 calendar year claims invoiced by the State of Michigan in the current fiscal year. In the fund-level statements, the District has recorded the liability for the calendar year 2023 claims. In the district-wide statements, the additional liability for claims from January 1, 2024 to June 30, 2024 has been recorded. The District believes that any claims incurred but not reported would be insignificant. The District pays all claims from its General Fund resources.

Estimated liability

Changes in the estimated liability for uninsured workers' compensation and unemployment during the years ended June 30, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Estimated liability, beginning of year	\$ 317,344	\$ 303,972
Estimated claims incurred, including changes in estimates	529,377	278,872
Claim payments	<u>(458,130)</u>	<u>(265,500)</u>
Estimated liability, end of year	<u>\$388,591</u>	<u>\$317,344</u>

The estimated claim liabilities at June 30, 2024 and 2023 are included in the balance sheet as follows:

	<u>2024</u>	<u>2023</u>
General Fund	\$ 19,947	\$ 34,729
Long-term liability, district-wide statements	<u>368,644</u>	<u>282,615</u>
Total	<u>\$388,591</u>	<u>\$317,344</u>

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note G -- Leases**

The District leases certain assets from various third parties. The assets leased include copiers and a school building. Payments are generally fixed monthly for copiers with certain variable payments not included in the measurement of the lease liability as they are based on usage of the asset. Payments for the school building are fixed with an annual escalation based on the State of Michigan foundation allowance, or 3 percent, if there is no increase in the foundation allowance. There are also certain variable payments for use of staff and premises not included in the measurement of the lease liability as they are based on usage of the asset.

Lease asset activity of the District is included in Note D.

Future principal and interest payment requirements related to the District’s lease liabilities at June 30, 2024 are as follows:

Years Ending	Principal	Interest	Total
2025	\$ 149,225	\$ 63,887	\$ 213,112
2026	27,987	61,318	89,305
2027	19,737	62,492	82,229
2028	19,737	63,725	83,462
2029	19,737	64,977	84,714
Thereafter	<u>1,700,708</u>	<u>13,195,950</u>	<u>14,896,658</u>
Total	<u>\$1,937,131</u>	<u>\$13,512,349</u>	<u>\$15,449,480</u>

GRAND RAPIDS PUBLIC SCHOOLS  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2024

**Note H -- Lease Revenue**

The District, as lessor, has entered into agreements to lease land for a cell tower and buildings for transportation to other organizations. The land lease is 30 years and the District will receive annual payments of approximately \$24,000. The building lease is for 10 years and the District will receive monthly payments of approximately \$12,500. The District recognized approximately \$137,000 in lease revenue and \$32,000 in interest revenue during the current fiscal year related to these leases. As of June 30, 2024, the District's receivable for lease payments was \$1,208,450. The District has a deferred inflow of resources associated with these leases that will be recognized as revenue over the lease terms. As of June 30, 2024, the balance of the deferred inflow of resources was \$1,095,087. In each case, ownership of the property remains with the District during and at the conclusion of the term of the leases.

Future minimum lease payments are as follows:

2025	\$145,290
2026	153,754
2027	162,563
2028	171,727
2029	181,268
Thereafter	393,848
	\$1,208,450

**Note I – Pension Plan and Postemployment Benefits**

Plan Description

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

The System is administered by the Office of Retirement Services (ORS). MPERS issues a publicly available financial report that includes financial statements and required supplemental information for the pension and post-employment health care plans. That report is available on the web at <http://www.michigan.gov/orsschools>.



GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note I – Pension Plan and Postemployment Benefits (continued)**

Benefits Provided

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

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

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

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

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

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

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note I – Pension Plan and Postemployment Benefits (continued)**

Benefits Provided (continued)

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

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

Under Public Act 300 of 2012, members were given the choice between continuing the 3 percent contribution to the retiree healthcare 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 healthcare 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 stop paying the 3 percent contribution to the retiree healthcare as of the day before their transition date, and their prior contributions were deposited into their 401(k) accounts.

The District's contributions are determined based on employee elections. There are multiple different pension and healthcare 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.

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note I – Pension Plan and Postemployment Benefits (continued)**

Contributions (continued)

The range of rates is as follows:

	Pension	OPEB
October 1, 2022 – September 30, 2023	13.75% - 20.16%	7.21% - 8.08%
October 1, 2023 – September 30, 2024	13.90% - 23.03%	7.06% - 8.31%

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

The District’s required and actual pension contributions to the plan for the year ended June 30, 2024 were \$43,177,592, which include the District’s contributions required for those members with a defined contribution benefit. For the year ended June 30, 2024, the District’s required and actual pension contributions include an allocation of \$19,018,668 in revenue received from the State of Michigan and remitted to the System to fund the MPERS unfunded actuarial accrued liability (UAAL) stabilization rate.

The District’s required and actual OPEB contributions to the plan for the year ended June 30, 2024 were \$9,323,319, which includes the District’s contributions required for those members with a defined contribution benefit.

Net Pension Liability

At June 30, 2024, the District reported a liability of \$313,471,751 for its proportionate share of the net pension liability. The net pension liability was measured as of September 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation date of September 30, 2022, which used updated procedures to roll forward the estimated liability to September 30, 2023. The District’s proportion of the net pension liability was based on a projection of its long-term share of contributions to the pension plan relative to the projected contributions of all participating reporting units, actuarially determined. At September 30, 2023 and 2022, the District’s proportion was 0.968520% and 0.993340%, respectively, representing a change of (2.498664%).

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note I – Pension Plan and Postemployment Benefits (continued)**

Net OPEB Asset

At June 30, 2024, the District reported an asset of \$5,474,023, for its proportionate share of the net OPEB asset. The net OPEB asset for fiscal year 2024 was measured as of September 30, 2023, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of September 30, 2022, which used updated procedures to roll forward the estimated liability to September 30, 2023. The District’s proportion of the net OPEB asset was based on a projection of its long-term share of contributions to the OPEB plan relative to the projected contributions of all participating reporting units, actuarially determined. At September 30, 2023 and 2022 the District’s proportion was 0.967658% and 0.983840%, respectively, representing a change of (1.644823%).

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

For 2024, the District recognized pension expense of \$22,381,677, inclusive of payments to fund the MPSERS UAAL stabilization rate. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 9,895,347	\$ (480,189)
Changes in assumptions	42,476,849	(24,491,186)
Net difference between projected and actual earnings on pension plan investments		(6,414,647)
Changes in proportion and differences between District contributions and proportionate share of contributions		(20,749,781)
The District’s contributions to the plan subsequent to the measurement date	36,392,574	
Total	\$88,764,770	\$(52,135,803)

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note I – Pension Plan and Postemployment Benefits (continued)**

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

The \$19,018,668 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 ended June 30, 2025. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	Amount
2025	\$ (5,278,286)
2026	(486,529)
2027	11,408,644
2028	(5,407,436)
Total	\$236,393

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

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note I – Pension Plan and Postemployment Benefits (continued)**

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

For the year ended June 30, 2024, the District recognized OPEB recovery of \$13,353,187.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience		\$ (41,364,532)
Changes in assumptions	\$ 12,186,131	(1,467,441)
Net difference between projected and actual earnings on OPEB plan investments	16,690	
Changes in proportion and differences between District contributions and proportionate share of contributions	59,951	(8,058,340)
Employer contributions to the plan subsequent to the measurement date	6,315,917	
Total	\$ 18,578,689	\$ (50,890,313)

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

Year Ended June 30	Amount
2025	\$ (13,530,984)
2026	(12,439,580)
2027	(4,390,531)
2028	(3,872,442)
2029	(2,919,232)
Thereafter	(1,474,772)
Total	\$(38,627,541)

GRAND RAPIDS PUBLIC SCHOOLS  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2024

**Note I – Pension Plan and Postemployment Benefits (continued)**

Actuarial Assumptions

The total pension liability and total OPEB asset as of September 30, 2023 are based on the results of an actuarial valuation as of September 30, 2022 and rolled forward. The total pension liability and OPEB asset was 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%
Healthcare cost trend rate - OPEB	6.25% - 7.50%	Year 1 graded to 3.5%, in year 15
Mortality basis		PubT-2010 Male and Female Employee Mortality tables, scaled 100% (retirees: 116% for males and 116% for females) and adjusted for mortality improvements using projection scale MP-2021 from 2010
Cost of living pension adjustments	3.00%	Annual non-compounded for MIP members

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

Significant assumption changes since the prior measurement date, September 30, 2022, for the OPEB plans include a decrease in the health care cost trend rate of 0.25 percent for members under 65 and an increase of 1.0 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, 2022.

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note I – Pension Plan and Postemployment Benefits (continued)**

Discount Rate

The discount rate used to measure the total pension liability and OPEB asset was 6.00 percent as of September 30, 2023. 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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity pools	25.0%	5.80%
Private equity pools	16.0%	9.60%
International equity pools	15.0%	6.80%
Fixed income pools	13.0%	1.30%
Real estate and infrastructure pools	10.0%	6.40%
Absolute return pools	9.0%	4.80%
Real return/opportunistic pools	10.0%	7.30%
Short-term investment pools	2.0%	0.30%
Total	<u>100.0%</u>	

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



GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note I – Pension Plan and Postemployment Benefits** (continued)

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

The following presents the net pension liability of the District, calculated using the discount rate depending on the plan option. The following also reflects what the 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% Decrease (5.00%)	Current Rate (6.00%)	1% Increase (7.00%)
Net pension liability of the District	\$423,499,417	\$313,471,751	\$221,869,740

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate

The following presents the net OPEB liability (asset) of the District, calculated using the current discount rate. It also reflects what the 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% Decrease (5.00%)	Current Rate (6.00%)	1% Increase (7.00%)
Net OPEB liability (asset) of the District	\$5,674,920	(\$5,474,023)	(\$15,055,445)

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Healthcare Cost Trend Rate

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

	1% Decrease	Current Rate	1% Increase
Net OPEB liability (asset) of the District	(\$15,079,335)	(\$5,474,023)	\$4,922,072

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note I – Pension Plan and Postemployment Benefits (continued)**

Pension Plan and OPEB Plan Fiduciary Net Position

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

Payable to the Pension Plan and OPEB Plan

At June 30, 2024, the District reported a payable of \$9,194,861 and \$1,456,503 for the outstanding amount of contributions to the pension and OPEB plans, respectively, required for the year ended June 30, 2024.

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

Individual interfund receivable and payable balances at June 30, 2024 are as follows:

Amounts due to		
General Fund		
Debt Retirement Funds:		
2017 Refunding Bonds	\$229	
Capital Projects Funds:		
2024 Construction	34,568	
Special Revenue Funds:		
Food Service	1,366,406	
Student / School Activity	653,853	
Total due to General Fund		2,055,056
Capital Projects Funds – Nonmajor Funds		
General Fund	5,420,818	
Special Revenue Funds - Nonmajor Funds		
General Fund	1,182,499	
Trust Funds		
General Fund	74,865	
Total		\$8,733,238

Interfund balances represent routine and temporary cash flow assistance from other funds until amounts are transferred from fund investment accounts.

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note J-- Interfund Receivables, Payables, and Transfers (continued)**

Information relating to interfund transfers is summarized below:

	Transfers in:	
	General Fund	Other Nonmajor Governmental Funds
	Total	
Transfers out:		
General Fund		\$9,133,222
Other Nonmajor Governmental Funds	\$705,162	705,162
Total	\$705,162	\$9,838,384

Transfers provided funding for the excess cost of operating Houseman Field and provided funding for capital projects, as well as indirect costs for operating the food service program.

**Note K -- Contingencies**

In the normal course of activities, the District is a party in various legal actions and subject to certain asserted and unasserted claims and assessments. Although some actions have been brought for large amounts, the District has not experienced significant losses or cost. Based on consultation with legal counsel, the District is of the opinion that the outcome of any pending actions will not have a material adverse effect on the financial position of the District.

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note L -- Commitments**

Construction was in process as of June 30, 2024 on several major renovations of school building, site improvements and other capital projects in the District. Information relating to open commitments for these projects is summarized below:

<u>Project</u>	<u>Total Contracts</u>	<u>Remaining Commitment at June 30, 2024</u>
Classroom furniture	\$5,018,578	\$3,008,998
Coit building renovation	2,877,416	2,764,088
Sibley building renovation	2,462,149	2,102,759
Riverside building renovation	1,377,000	1,377,000
Sigsbee building renovation	875,423	875,423
School building parking lots	1,054,911	881,056
High school athletic fields	509,578	503,870
School building playgrounds	898,297	294,079
School building HVAC systems	8,774,420	224,015
High school auditorium improvements	486,616	138,452
Kensington demolition	359,800	130,030
Grounds equipment	254,270	117,135
City High Middle school fence	20,455	20,455

As of June 30, 2024 the District had several other outstanding contract commitments totaling \$28,302.

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024

**Note M – Tax Abatements**

The District receives reduced property tax revenues as a result of Commercial Rehabilitation Act agreements, Industrial Facilities Tax exemptions (PA 198 of 1974), Brownfield Redevelopment agreements, Neighborhood Enterprise Zone agreements, Obsolete Properties Rehabilitation Act agreements, New Personal Property agreements (PA 328), Payment in Lieu of Taxes (PA 326 of 1966) agreements, Ad Valorem extension agreements and Air and Water Pollution agreements granted by the City of Grand Rapids within the boundaries of the District. Industrial facility exemptions are intended to promote construction of new industrial facilities or to rehabilitate historical facilities. Brownfield redevelopment agreements are intended to reimburse taxpayers that remediate environmental contamination on their properties. Other agreements are intended to promote economic development in specific areas.

For the fiscal year ended June 30, 2024, the District’s property tax revenues were reduced by \$8,899,227 under these programs.

The District is reimbursed for lost revenue caused by tax abatements on the operating millage of non-homestead properties, from the State of Michigan under the school aid formula. The District received approximately \$8,638,000 in reimbursements from the State of Michigan. The District is not reimbursed for lost revenue from the sinking fund or debt service millages. There are no abatements made by the District.

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REQUIRED SUPPLEMENTARY INFORMATION

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GRAND RAPIDS PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenue:				
Local sources:				
Property taxes	\$ 46,600,000	\$ 49,195,000	\$ 49,125,616	\$ (69,384)
Investment income	1,400,000	3,000,000	3,035,307	35,307
Payments from local governmental agencies	23,295,000	24,410,000	24,479,967	69,967
Other	2,815,212	4,007,882	3,672,773	(335,109)
Total local sources	<u>74,110,212</u>	<u>80,612,882</u>	<u>80,313,663</u>	<u>(299,219)</u>
State sources:				
Restricted	51,731,925	61,318,271	59,481,555	(1,836,716)
Unrestricted	83,630,000	82,025,940	82,509,846	483,906
Total state sources	<u>135,361,925</u>	<u>143,344,211</u>	<u>141,991,401</u>	<u>(1,352,810)</u>
Federal sources:				
Restricted	76,987,736	79,189,925	70,656,011	(8,533,914)
Unrestricted	30,000	30,000	64,317	34,317
Total federal sources	<u>77,017,736</u>	<u>79,219,925</u>	<u>70,720,328</u>	<u>(8,499,597)</u>
Total revenue	<u>286,489,873</u>	<u>303,177,018</u>	<u>293,025,392</u>	<u>(10,151,626)</u>
Expenditures:				
Instruction	141,336,776	145,450,546	137,342,475	8,108,071
Support services	140,392,972	146,053,541	135,763,562	10,289,979
Community services	2,566,355	3,241,884	1,704,294	1,537,590
Payments to other public schools				
Capital outlay	156,851	116,351	107,750	8,601
Total expenditures	<u>284,452,954</u>	<u>294,862,322</u>	<u>274,918,081</u>	<u>19,944,241</u>
Other financing sources (uses):				
Transfers from other funds	1,082,169	1,051,185	705,162	(346,023)
Transfers to other funds	(1,730,700)	(9,130,700)	(9,133,222)	(2,522)
Total other financing sources (uses)	<u>(648,531)</u>	<u>(8,079,515)</u>	<u>(8,428,060)</u>	<u>(348,545)</u>
Net change in fund balances	<u>1,388,388</u>	<u>235,181</u>	<u>9,679,251</u>	<u>9,444,070</u>
Fund balances at beginning of year	30,899,890	30,899,890	30,899,890	
Fund balances at end of year	<u>\$ 32,288,278</u>	<u>\$ 31,135,071</u>	<u>\$ 40,579,142</u>	<u>\$ 9,444,070</u>

The Notes to the Financial Statements are an integral part of this statement.

GRAND RAPIDS PUBLIC SCHOOLS  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
MICHIGAN PUBLIC SCHOOL EMPLOYEES RETIREMENT SYSTEM  
FOR THE PLAN YEAR ENDED SEPTEMBER 30

	<u>2023</u>	<u>2022</u>	<u>2021</u>
District's proportion of net pension liability (%)	0.96852%	0.99334%	1.00330%
District's proportionate share of net pension liability	\$ 313,471,751	\$ 373,581,019	\$ 237,535,563
District's covered payroll	\$ 97,636,225	\$ 96,435,886	\$ 90,496,986
District's proportionate share of net pension liability as a percentage of its covered payroll	321.06%	387.39%	262.48%
Plan fiduciary net position as a percentage of total pension liability	65.91%	60.77%	72.32%

2020	2019	2018	2017	2016	2015	2014
1.08829%	1.20683%	1.23533%	1.24286%	1.25721%	1.28950%	1.27525%
\$ 373,841,016	\$ 399,661,878	\$ 371,363,022	\$ 322,077,024	\$ 313,664,456	\$ 314,961,612	\$ 280,892,825
\$ 91,513,934	\$ 105,026,809	\$ 105,272,446	\$ 104,116,904	\$ 106,030,863	\$ 107,761,376	\$ 107,103,354
408.51%	380.53%	352.76%	309.34%	295.82%	292.28%	262.26%
59.49%	60.08%	62.12%	63.96%	63.01%	62.92%	66.15%

GRAND RAPIDS PUBLIC SCHOOLS  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
MICHIGAN PUBLIC SCHOOL EMPLOYEES RETIREMENT SYSTEM  
(AMOUNTS DETERMINED AS OF JUNE 30 OF EACH YEAR)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Statutorily required contributions	\$ 41,474,243	\$ 44,731,970	\$ 34,150,282	\$ 30,836,485
Contributions in relation to statutorily required contributions	41,474,243	44,731,970	34,150,282	30,836,485
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 101,797,792	\$ 90,881,215	\$ 92,522,602	\$ 89,290,688
Contributions as a percentage of covered payroll	40.74%	49.22%	36.91%	34.53%

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 30,459,877	\$ 32,722,887	\$ 31,690,726	\$ 30,422,546	\$ 29,481,660	\$ 23,280,156
30,459,877	32,722,887	31,690,726	30,422,546	29,481,660	23,581,519
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ (301,363)</u>
\$ 90,890,180	\$ 105,815,232	\$ 104,453,405	\$ 110,194,656	\$ 104,923,104	\$ 107,318,010
33.51%	30.92%	30.34%	27.61%	28.10%	21.97%

GRAND RAPIDS PUBLIC SCHOOLS  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)  
MICHIGAN PUBLIC SCHOOL EMPLOYEES RETIREMENT SYSTEM  
FOR THE PLAN YEAR ENDED JUNE 30

	<u>2023</u>	<u>2022</u>	<u>2021</u>
District's proportion of net OPEB liability (asset) (%)	0.96766%	0.98384%	0.99112%
District's proportionate share of net OPEB liability (asset)	\$ (5,474,023)	\$ 20,838,303	\$ 15,128,186
District's covered payroll	\$ 97,636,225	\$ 96,435,886	\$ 90,496,986
District's proportionate share of net OPEB liability (asset) as a percentage of its covered payroll	-5.61%	21.61%	16.72%
Plan fiduciary net position as a percentage of total OPEB liability (asset)	105.04%	83.09%	88.87%

This schedule is to be built prospectively. Until a full 10 year trend is compiled, the schedule will show information for those years for which data is available, beginning with the Plan's fiscal year ended September 30, 2018.

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
1.02562%	1.19704%	1.23140%	1.24324%
\$ 54,945,346	\$ 85,920,837	\$ 97,883,616	\$ 110,094,965
\$ 91,513,934	\$ 105,026,809	\$ 105,272,446	\$ 104,116,904
60.04%	81.81%	92.98%	105.74%
59.76%	48.67%	43.10%	36.53%

GRAND RAPIDS PUBLIC SCHOOLS  
SCHEDULE OF DISTRICT OPEB CONTRIBUTIONS  
MICHIGAN PUBLIC SCHOOL EMPLOYEES RETIREMENT SYSTEM  
YEAR ENDED JUNE 30

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Statutorily required contributions	\$ 8,363,121	\$ 7,315,211	\$ 7,539,852
Contributions in relation to statutorily required contributions	8,363,121	7,315,211	7,539,852
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 101,797,792	\$ 90,881,215	\$ 92,522,602
Contributions as a percentage of covered payroll	8.22%	8.05%	8.15%

This schedule is to be built prospectively. Until a full 10 year trend is compiled, the schedule will show information for those years for which data is available, beginning with the fiscal year ended June 30, 2018.



<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
\$ 7,430,548	\$ 7,303,571	\$ 8,311,813	\$ 7,544,382
7,430,548	7,303,571	8,311,813	7,544,382
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
\$ 89,290,688	\$ 90,890,180	\$ 105,815,232	\$ 104,453,405
8.32%	8.04%	7.86%	7.22%

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2024

**Benefit changes**

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

**Changes in Assumptions**

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

- 2023 - The valuation includes the impact of an updated experience study for periods from 2017 to 2022.
- 2022 - The discount rate and the investment rate of return used in the September 30, 2022 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.

GRAND RAPIDS PUBLIC SCHOOLS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2024

**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 available.

**Benefit changes**

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

**Changes in Assumptions**

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

- 2023 - The healthcare cost trend rate used in the September 30, 2022 actuarial valuation decreased by 0.25% for members under 65 and increased by 1.00% 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 OPEB liability by an additional \$1.1 billion in 2022.
- 2021 - The healthcare cost trend rate used in the September 30, 2020 actuarial valuation increased by 0.75 for members under 65 and decreased by 1.75 percentage points for members over 65. In addition, actual per person health benefit costs were lower than projected. This reduced the plan's total OPEB liability by \$1.3 billion in 2021.
- 2020 - The healthcare cost trend rate used in the September 30, 2019 actuarial valuation decreased by 0.50 percentage points and actual per person health benefit costs were lower than projected. This reduced the plan's total OPEB liability by \$1.8 billion in 2020.
- 2019 - The discount rate used in the September 30, 2018 actuarial valuation decreased by 0.20 percentage points. The valuation also includes the impact of an updated experience study for periods from 2012 to 2017. This resulted in 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 an additional \$1.4 billion in 2018.

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OTHER SUPPLEMENTARY INFORMATION

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GRAND RAPIDS PUBLIC SCHOOLS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2024

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>				
Cash and investments	\$ 2,903,356		\$ 368,729	\$ 3,272,085
Restricted assets		\$ 8,959,075	190,423	9,149,498
Receivables:				
State aid receivable	134,882			134,882
Accounts receivable	98,245			98,245
Property taxes		107,165		107,165
Total receivables	<u>233,127</u>	<u>107,165</u>		<u>340,292</u>
Due from other governmental agencies	259,410			259,410
Due from other funds	1,182,499		5,420,818	6,603,317
Inventory	92,407			92,407
Total assets	<u><u>\$ 4,670,799</u></u>	<u><u>\$ 9,066,240</u></u>	<u><u>\$ 5,979,970</u></u>	<u><u>\$ 19,717,009</u></u>
<b>Liabilities and fund balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 224,066		\$ 378,055	\$ 602,121
Other liabilities	80,227			80,227
Due to other funds	2,020,259	\$ 229		2,020,488
Total liabilities	<u>2,324,552</u>	<u>229</u>	<u>378,055</u>	<u>2,702,836</u>
<b>Fund balances</b>				
<b>Nonspendable</b>				
Inventory	92,407			92,407
Endowment	258,875			258,875
<b>Restricted</b>				
Capital projects			190,423	190,423
Debt service		9,066,011		9,066,011
Special revenue	240,612			240,612
<b>Committed</b>				
Student /school activity	994,381			994,381
<b>Assigned</b>				
Capital projects			5,411,492	5,411,492
Special revenue	759,972			759,972
Total fund balances	<u>2,346,247</u>	<u>9,066,011</u>	<u>5,601,915</u>	<u>17,014,173</u>
Total liabilities and fund balances	<u><u>\$ 4,670,799</u></u>	<u><u>\$ 9,066,240</u></u>	<u><u>\$ 5,979,970</u></u>	<u><u>\$ 19,717,009</u></u>

GRAND RAPIDS PUBLIC SCHOOLS  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2024

	Food Service	GRASP	Houseman Field
<b>Assets</b>			
Cash and investments	\$ 1,240,427		\$ 4,000
Receivables:			
State aid receivable	134,882		
Accounts receivable	3,113	\$ 81,362	
Total receivables	137,995	81,362	
Due from other governmental agencies	259,410		
Due from other funds		666,782	16,230
Inventory	92,407		
<b>Total assets</b>	<b>\$ 1,730,239</b>	<b>\$ 748,144</b>	<b>\$ 20,230</b>
<b>Liabilities and fund balances</b>			
<b>Liabilities</b>			
Accounts payable	\$ 191,199	\$ 3,965	\$ 4,437
Other liabilities	80,227		
Due to other funds	1,366,406		
Total liabilities	1,637,832	3,965	4,437
<b>Fund balances</b>			
Nonspendable			
Inventory	92,407		
Endowment			
Restricted			
Committed			
Assigned		744,179	15,793
Total fund balances	92,407	744,179	15,793
<b>Total liabilities and fund balances</b>	<b>\$ 1,730,239</b>	<b>\$ 748,144</b>	<b>\$ 20,230</b>



Student / School Activity	Public Purpose Trust	Total
\$ 1,658,929		\$ 2,903,356
		134,882
13,770		98,245
<u>13,770</u>		<u>233,127</u>
		259,410
	\$ 499,487	1,182,499
		92,407
<u>\$ 1,672,699</u>	<u>\$ 499,487</u>	<u>\$ 4,670,799</u>
\$ 24,465		\$ 224,066
		80,227
653,853		2,020,259
<u>678,318</u>		<u>2,324,552</u>
		92,407
	\$ 258,875	258,875
	240,612	240,612
994,381		994,381
		759,972
<u>994,381</u>	<u>499,487</u>	<u>2,346,247</u>
<u>\$ 1,672,699</u>	<u>\$ 499,487</u>	<u>\$ 4,670,799</u>

GRAND RAPIDS PUBLIC SCHOOLS  
 COMBINING BALANCE SHEET  
 NONMAJOR DEBT SERVICE FUNDS  
 JUNE 30, 2024

	2016 Voted Debt and Refunding Bonds	2017 Refunding Bonds	2019 Voted Debt Bonds	2021 Refunding Bonds	Total
Assets					
Restricted assets	\$ 3,606,126	\$ 3,432,706	\$ 1,920,243		\$ 8,959,075
Property taxes receivable		107,165			107,165
Total assets	<u>\$ 3,606,126</u>	<u>\$ 3,539,871</u>	<u>\$ 1,920,243</u>	<u>\$</u>	<u>\$ 9,066,240</u>
Liabilities and fund balances					
Liabilities					
Due to other funds		\$ 229			\$ 229
Total liabilities		229			229
Fund balances					
Restricted	\$ 3,606,126	3,539,642	\$ 1,920,243		9,066,011
Total fund balances	3,606,126	3,539,642	1,920,243		9,066,011
Total liabilities and fund balances	<u>\$ 3,606,126</u>	<u>\$ 3,539,871</u>	<u>\$ 1,920,243</u>	<u>\$</u>	<u>\$ 9,066,240</u>

GRAND RAPIDS PUBLIC SCHOOLS  
 COMBINING BALANCE SHEET  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 JUNE 30, 2024

	Unrestricted General Purpose	2012 Sinking Fund	2019 Construction Fund	Total
<b>Assets</b>				
Cash and investments	\$ 368,729			\$ 368,729
Restricted assets		\$ 190,423		190,423
Due from other funds	5,420,818			5,420,818
<b>Total assets</b>	<b><u>\$ 5,789,547</u></b>	<b><u>\$ 190,423</u></b>	<b><u>\$</u></b>	<b><u>\$ 5,979,970</u></b>
<b>Liabilities and fund balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 378,055			\$ 378,055
<b>Total liabilities</b>	<b><u>378,055</u></b>			<b><u>378,055</u></b>
<b>Fund balances</b>				
Restricted		\$ 190,423		190,423
Assigned	5,411,492			5,411,492
<b>Total fund balances</b>	<b><u>5,411,492</u></b>	<b><u>190,423</u></b>		<b><u>5,601,915</u></b>
<b>Total liabilities and fund balances</b>	<b><u>\$ 5,789,547</u></b>	<b><u>\$ 190,423</u></b>	<b><u>\$</u></b>	<b><u>\$ 5,979,970</u></b>

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GRAND RAPIDS PUBLIC SCHOOLS  
 COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 YEAR ENDED JUNE 30, 2024

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Revenue:				
Local sources:				
Property taxes		\$ 24,671,064	\$ 764	\$ 24,671,828
Investment income	\$ 129,551	1,060,048	782,327	1,971,926
Food service	237,065			237,065
GRASP	319,128			319,128
Other	728,546		766,947	1,495,493
Total local sources	<u>1,414,290</u>	<u>25,731,112</u>	<u>1,550,038</u>	<u>28,695,440</u>
State sources - restricted	1,300,254			1,300,254
State sources - unrestricted		243,949		243,949
Federal sources - restricted	13,184,437			13,184,437
Total revenue	<u>15,898,981</u>	<u>25,975,061</u>	<u>1,550,038</u>	<u>43,424,080</u>
Expenditures:				
Food service	16,340,335			16,340,335
GRASP	316,394			316,394
Bond principal maturities		14,210,000		14,210,000
Interest on bonded debt		8,250,610		8,250,610
Capital outlay			25,835,450	25,835,450
Other	1,052,740	72,281	682,067	1,807,088
Total expenditures	<u>17,709,469</u>	<u>22,532,891</u>	<u>26,517,517</u>	<u>66,759,877</u>
Other financing sources (uses):				
Transfer from General Fund	133,222		9,000,000	9,133,222
Transfer to General Fund	(705,162)			(705,162)
Total other financing sources (uses)	<u>(571,940)</u>		<u>9,000,000</u>	<u>8,428,060</u>
Net change in fund balances	<u>(2,382,428)</u>	<u>3,442,170</u>	<u>(15,967,479)</u>	<u>(14,907,737)</u>
Fund balances at beginning of year, as previously reported	4,728,675	5,623,841	1,916,622	12,269,138
Change within financial reporting entity			19,652,772	19,652,772
Fund balances at beginning of year as adjusted or restated	<u>4,728,675</u>	<u>5,623,841</u>	<u>21,569,394</u>	<u>31,921,910</u>
Fund balances at end of year	<u>\$ 2,346,247</u>	<u>\$ 9,066,011</u>	<u>\$ 5,601,915</u>	<u>\$ 17,014,173</u>

GRAND RAPIDS PUBLIC SCHOOLS  
 COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2024

	Food Service	GRASP	Houseman Field
Revenue:			
Local sources:			
Investment income	\$ 64,023	\$ 39,823	
Sales	237,065		
Admissions and class fees		319,128	\$ 41,094
Other			
Total local sources	301,088	358,951	41,094
State sources - restricted	1,300,254		
Federal sources - restricted	13,184,437		
Total revenue	14,785,779	358,951	41,094
Expenditures:			
School services			
Salaries	3,528,592	146,774	6,128
Benefits	2,738,856	102,167	3,441
Nonsalaries	9,635,502	67,453	164,747
Payments to other public schools	437,385		
Total expenditures	16,340,335	316,394	174,316
Other financing sources (uses):			
Transfer from General Fund			133,222
Transfer to General Fund	(705,162)		
Total other financing sources (uses)	(705,162)		133,222
Net change in fund balances	(2,259,718)	42,557	
Fund balances at beginning of year	2,352,125	701,622	15,793
Fund balances at end of year	\$ 92,407	\$ 744,179	\$ 15,793

Student / School Activity	Public Purpose Trust	Total
	\$ 25,705	\$ 129,551
		237,065
		360,222
\$ 684,985	2,467	687,452
<u>684,985</u>	<u>28,172</u>	<u>1,414,290</u>
		1,300,254
		13,184,437
<u>684,985</u>	<u>28,172</u>	<u>15,898,981</u>
		3,681,494
		2,844,464
874,994	3,430	10,746,126
		437,385
<u>874,994</u>	<u>3,430</u>	<u>17,709,469</u>
		133,222
		<u>(705,162)</u>
		(571,940)
<u>(190,009)</u>	<u>24,742</u>	<u>(2,382,428)</u>
1,184,390	474,745	4,728,675
<u>\$ 994,381</u>	<u>\$ 499,487</u>	<u>\$ 2,346,247</u>

GRAND RAPIDS PUBLIC SCHOOLS  
 COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR DEBT SERVICE FUNDS  
 YEAR ENDED JUNE 30, 2024

	2016 Voted Debt and Refunding Bonds	2017 Refunding Bonds	2019 Voted Debt Bonds
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Revenue:			
Local sources:			
Property taxes	\$ 9,762,871	\$ 6,865,077	\$ 5,742,865
Investment income	424,936	300,759	180,685
Total local sources	<u>10,187,807</u>	<u>7,165,836</u>	<u>5,923,550</u>
State sources		243,949	
Total revenue	<u>10,187,807</u>	<u>7,409,785</u>	<u>5,923,550</u>
Expenditures:			
Bond principal maturities	4,560,000	4,150,000	1,800,000
Interest on bonded debt	3,748,000	1,412,000	3,052,500
Other	500	70,781	500
Total expenditures	<u>8,308,500</u>	<u>5,632,781</u>	<u>4,853,000</u>
Other financing sources:			
Transfer from (to) Debt Service Fund	90,994		
Total other financing sources	<u>90,994</u>		
Net change in fund balances	<u>1,970,301</u>	<u>1,777,004</u>	<u>1,070,550</u>
Fund balances at beginning of year	1,635,825	1,762,638	849,693
Fund balances at end of year	<u><u>\$ 3,606,126</u></u>	<u><u>\$ 3,539,642</u></u>	<u><u>\$ 1,920,243</u></u>



2021 Refunding Bonds	Total
\$ 2,300,251	\$ 24,671,064
<u>153,668</u>	<u>1,060,048</u>
2,453,919	25,731,112
	243,949
<u>2,453,919</u>	<u>25,975,061</u>
3,700,000	14,210,000
38,110	8,250,610
500	72,281
<u>3,738,610</u>	<u>22,532,891</u>
<u>(90,994)</u>	
(90,994)	
<u>(1,375,685)</u>	<u>3,442,170</u>
1,375,685	5,623,841
<u>\$</u>	<u>\$ 9,066,011</u>

GRAND RAPIDS PUBLIC SCHOOLS  
 COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 YEAR ENDED JUNE 30, 2024

	Unrestricted General Purpose	2012 Sinking Fund	2019 Construction Fund	Total
Revenue:				
Local sources:				
Property taxes		\$ 764		\$ 764
Investment income	\$ 16,777	8,644	\$ 756,906	782,327
Other	154,791		612,156	766,947
Total revenue	<u>171,568</u>	<u>9,408</u>	<u>1,369,062</u>	<u>1,550,038</u>
Expenditures:				
Capital outlay	5,267,716		20,567,734	25,835,450
Other	227,967		454,100	682,067
Total expenditures	<u>5,495,683</u>		<u>21,021,834</u>	<u>26,517,517</u>
Other financing sources (uses):				
Transfers from General Fund	9,000,000			9,000,000
Total other financing sources (uses)	<u>9,000,000</u>			<u>9,000,000</u>
Net change in fund balances	<u>3,675,885</u>	<u>9,408</u>	<u>(19,652,772)</u>	<u>(15,967,479)</u>
Fund balances at beginning of year as previously reported	1,735,607	181,015		1,916,622
Change within financial reporting entity			19,652,772	19,652,772
Fund balances at beginning of year as adjusted or restated	<u>1,735,607</u>	<u>181,015</u>	<u>19,652,772</u>	<u>21,569,394</u>
Fund balances at end of year	<u>\$ 5,411,492</u>	<u>\$ 190,423</u>	<u>\$</u>	<u>\$ 5,601,915</u>

GRAND RAPIDS PUBLIC SCHOOLS  
 DETAILS OF REVENUE - BUDGET AND ACTUAL  
 GENERAL FUND (GENERAL PROGRAMS)  
 YEAR ENDED JUNE 30, 2024

	<u>Budget</u>	<u>Actual</u>	Actual (Over)/Under Budget
Local sources			
Property taxes	\$ 49,195,000	\$ 49,125,616	\$ 69,384
Investment income	3,000,000	3,035,307	(35,307)
Payments from local governmental agencies:			
County special education tax	12,895,000	12,899,292	(4,292)
County enhancement millage	4,175,000	4,225,739	(50,739)
Services to other governmental agencies	7,340,000	7,354,936	(14,936)
Other revenue:			
Rental of facilities	210,000	221,184	(11,184)
Other	985,000	1,241,563	(256,563)
Total local sources	<u>77,800,000</u>	<u>78,103,637</u>	<u>(303,637)</u>
State sources			
Restricted			
Special education	8,495,000	8,563,448	(68,448)
Other	26,410,200	26,847,999	(437,799)
Total restricted state sources	<u>34,905,200</u>	<u>35,411,447</u>	<u>(506,247)</u>
Unrestricted	<u>82,025,940</u>	<u>82,509,846</u>	<u>(483,906)</u>
Total state sources	<u>116,931,140</u>	<u>117,921,293</u>	<u>(990,153)</u>
Federal sources			
Restricted	210,000	222,857	(12,857)
Unrestricted	30,000	64,317	(34,317)
	<u>240,000</u>	<u>287,174</u>	<u>(47,174)</u>
Total revenue	<u>\$ 194,971,140</u>	<u>\$ 196,312,104</u>	<u>\$ (1,340,964)</u>

Level of detail presented is greater than the approved budget.

GRAND RAPIDS PUBLIC SCHOOLS  
 DETAILS OF REVENUE - BUDGET AND ACTUAL  
 GENERAL FUND (GRANTS)  
 YEAR ENDED JUNE 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Actual (Over)/Under Budget</u>
Local sources			
Other revenue	\$ 2,257,862	\$ 1,554,890	\$ 702,972
State sources			
Restricted	26,413,071	24,070,109	2,342,962
Federal sources			
Restricted	78,979,925	70,433,154	8,546,771
Total revenue	<u>\$ 107,650,858</u>	<u>\$ 96,058,153</u>	<u>\$ 11,592,705</u>

Level of detail presented is greater than the approved budget.

GRAND RAPIDS PUBLIC SCHOOLS  
 DETAILS OF REVENUE - BUDGET AND ACTUAL  
 GENERAL FUND (ATHLETICS)  
 YEAR ENDED JUNE 30, 2024

	Budget	Actual	Actual (Over)/Under Budget
Local sources			
Other revenue	\$ 555,020	\$ 655,136	\$ (100,116)
Total revenue	\$ 555,020	\$ 655,136	\$ (100,116)

Level of detail presented is greater than the approved budget.

GRAND RAPIDS PUBLIC SCHOOLS  
 DETAILS OF EXPENDITURES - BUDGET AND ACTUAL  
 GENERAL FUND (GENERAL PROGRAMS)  
 YEAR ENDED JUNE 30, 2024

	Budget	Actual	Actual (Over)/Under Budget
Instruction			
Basic programs			
Elementary			
Salaries	\$ 20,592,077	\$ 20,496,622	\$ 95,455
Benefits and payroll taxes	16,414,106	15,914,167	499,939
Nonsalaries	4,583,646	4,452,348	131,298
Total elementary	41,589,829	40,863,137	726,692
Secondary			
Salaries	18,765,862	18,485,821	280,041
Benefits and payroll taxes	14,822,636	14,195,658	626,978
Nonsalaries	9,298,556	8,983,166	315,390
Total secondary	42,887,054	41,664,645	1,222,409
Other basic programs			
Salaries	475,000	471,184	3,816
Benefits and payroll taxes	450,098	606,851	(156,753)
Nonsalaries	671,157	578,436	92,721
Total other basic programs	1,596,255	1,656,471	(60,216)
Total basic programs	86,073,138	84,184,253	1,888,885
Added needs			
Salaries	5,072,100	5,002,669	69,431
Benefits and payroll taxes	4,309,074	4,220,930	88,144
Nonsalaries	2,356,300	1,877,660	478,640
Total added needs	11,737,474	11,101,259	636,215
Total instruction	97,810,612	95,285,512	2,525,100
Support services			
Pupil services			
Salaries	2,232,660	2,165,731	66,929
Benefits and payroll taxes	1,835,118	1,663,143	171,975
Nonsalaries	12,194,055	11,717,912	476,143
Total pupil services	16,261,833	15,546,786	715,047

Level of detail presented is greater than the approved budget.

GRAND RAPIDS PUBLIC SCHOOLS  
 DETAILS OF EXPENDITURES - BUDGET AND ACTUAL  
 GENERAL FUND (GENERAL PROGRAMS)  
 YEAR ENDED JUNE 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Actual (Over)/Under Budget</u>
Support services (continued)			
Instructional staff services			
Salaries	\$ 4,863,205	\$ 4,844,469	\$ 18,736
Benefits and payroll taxes	3,710,292	3,408,491	301,801
Nonsalaries	<u>1,024,514</u>	<u>700,570</u>	<u>323,944</u>
Total instructional staff services	9,598,011	8,953,530	644,481
General administration			
Salaries	1,126,400	1,106,710	19,690
Benefits and payroll taxes	821,166	735,399	85,767
Nonsalaries	<u>870,900</u>	<u>831,361</u>	<u>39,539</u>
Total general administration	2,818,466	2,673,470	144,996
School administration			
Salaries	10,475,451	10,313,429	162,022
Benefits and payroll taxes	8,127,564	7,300,247	827,317
Nonsalaries	<u>716,918</u>	<u>660,404</u>	<u>56,514</u>
Total school administration	19,319,933	18,274,080	1,045,853
Fiscal services			
Salaries	2,014,500	1,941,999	72,501
Benefits and payroll taxes	1,563,871	1,371,608	192,263
Nonsalaries	<u>1,329,964</u>	<u>1,127,042</u>	<u>202,922</u>
Total fiscal services	4,908,335	4,440,649	467,686
Operations and maintenance			
Salaries	2,401,000	2,335,363	65,637
Benefits and payroll taxes	1,927,149	1,690,860	236,289
Nonsalaries			
Utilities	5,564,600	5,615,265	(50,665)
Repairs	1,635,000	1,450,406	184,594
Other	<u>4,032,714</u>	<u>3,597,254</u>	<u>435,460</u>
Total operations and maintenance	15,560,463	14,689,148	871,315
Pupil transportation			
Nonsalaries	<u>12,089,264</u>	<u>11,527,488</u>	<u>561,776</u>
Total pupil transportation	12,089,264	11,527,488	561,776

Level of detail presented is greater than the approved budget.

GRAND RAPIDS PUBLIC SCHOOLS  
 DETAILS OF EXPENDITURES - BUDGET AND ACTUAL  
 GENERAL FUND (GENERAL PROGRAMS)  
 YEAR ENDED JUNE 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Actual (Over)/Under Budget</u>
Support services (continued)			
Staff and personnel services			
Salaries			
Planning, research and evaluation	\$ 319,000	\$ 307,360	\$ 11,640
Communications	527,500	524,013	3,487
Personnel services	1,486,000	1,430,205	55,795
Information services	582,000	579,010	2,990
Benefits and payroll taxes			
Planning, research and evaluation	248,415	218,667	29,748
Communications	400,629	360,932	39,697
Personnel services	1,110,964	970,237	140,727
Information services	474,877	430,341	44,536
Nonsalaries			
Planning, research and evaluation	50,480	41,091	9,389
Communications	899,800	807,657	92,143
Personnel services	656,600	557,307	99,293
Information services	2,031,710	1,576,319	455,391
Total staff and personnel services	<u>8,787,975</u>	<u>7,803,139</u>	<u>984,836</u>
Student activities			
Nonsalaries	<u>85,000</u>	<u>91,300</u>	<u>(6,300)</u>
Total student activities	<u>85,000</u>	<u>91,300</u>	<u>(6,300)</u>
Total support services	<u>89,429,280</u>	<u>83,999,590</u>	<u>5,429,690</u>
Community services			
Salaries	3,500	1,401	2,099
Benefits and payroll taxes	10,771	3,449	7,322
Nonsalaries	<u>6,000</u>	<u>4,008</u>	<u>1,992</u>
Total community services	<u>20,271</u>	<u>8,858</u>	<u>11,413</u>
Capital outlay	77,000	78,250	(1,250)
Transfer to athletics	2,681,372	2,266,594	414,778
Expenses redistributed	(3,362,091)	(3,434,012)	71,921
Total expenditures	<u>\$ 186,656,444</u>	<u>\$ 178,204,792</u>	<u>\$ 8,451,652</u>

Level of detail presented is greater than the approved budget.



GRAND RAPIDS PUBLIC SCHOOLS  
 DETAILS OF EXPENDITURES - BUDGET AND ACTUAL  
 GENERAL FUND (GRANTS)  
 YEAR ENDED JUNE 30, 2024

	Budget	Actual	Actual (Over)/Under Budget
Instruction			
Basic programs			
Elementary			
Salaries	\$ 4,409,427	\$ 3,975,339	\$ 434,088
Benefits and payroll taxes	3,247,944	2,943,319	304,625
Nonsalaries	7,509,218	7,332,416	176,802
Total elementary	<u>15,166,589</u>	<u>14,251,074</u>	<u>915,515</u>
Secondary			
Salaries	1,146,972	1,126,721	20,251
Benefits and payroll taxes	705,781	692,385	13,396
Nonsalaries	10,473,589	7,607,748	2,865,841
Total secondary	<u>12,326,342</u>	<u>9,426,854</u>	<u>2,899,488</u>
Other basic programs			
Salaries	3,995,483	4,095,367	(99,884)
Benefits and payroll taxes	2,957,380	3,024,662	(67,282)
Nonsalaries	1,202,400	564,650	637,750
Total other basic programs	<u>8,155,263</u>	<u>7,684,679</u>	<u>470,584</u>
Total basic programs	<u>35,648,194</u>	<u>31,362,607</u>	<u>4,285,587</u>
Added needs			
Salaries	6,344,255	5,778,716	565,539
Benefits and payroll taxes	4,944,981	4,508,397	436,584
Nonsalaries	702,504	407,243	295,261
Total added needs	<u>11,991,740</u>	<u>10,694,356</u>	<u>1,297,384</u>
Total instruction	<u>47,639,934</u>	<u>42,056,963</u>	<u>5,582,971</u>
Support services			
Pupil services			
Salaries	6,435,104	5,878,717	556,387
Benefits and payroll taxes	4,787,250	4,371,322	415,928
Nonsalaries	3,153,090	2,712,172	440,918
Total pupil services	<u>14,375,444</u>	<u>12,962,211</u>	<u>1,413,233</u>
Instructional staff services			
Salaries	4,615,769	4,663,759	(47,990)
Benefits and payroll taxes	3,292,581	3,318,483	(25,902)
Nonsalaries	6,801,016	5,908,988	892,028
Total instructional staff services	<u>14,709,366</u>	<u>13,891,230</u>	<u>818,136</u>

Level of detail presented is greater than the approved budget.

GRAND RAPIDS PUBLIC SCHOOLS  
 DETAILS OF EXPENDITURES - BUDGET AND ACTUAL  
 GENERAL FUND (GRANTS)  
 YEAR ENDED JUNE 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Actual (Over)/Under Budget</u>
Support services (continued)			
General administration			
Salaries	\$ 16,000	\$ 16,000	
Benefits and payroll taxes	<u>8,984</u>	<u>8,984</u>	
Total general administration	24,984	24,984	
School administration			
Salaries	335,559	340,888	\$ (5,329)
Benefits and payroll taxes	188,417	191,409	(2,992)
Nonsalaries	<u>25,000</u>	<u>32,524</u>	<u>(7,524)</u>
Total school administration	548,976	564,821	(15,845)
Fiscal services			
Salaries	50,667	50,667	
Benefits and payroll taxes	28,450	28,449	1
Nonsalaries	<u>259,692</u>	<u>259,692</u>	<u>259,692</u>
Total fiscal services	338,809	79,116	259,693
Operations and maintenance			
Salaries	6,042,000	6,478,683	(436,683)
Benefits and payroll taxes	4,442,239	4,781,718	(339,479)
Nonsalaries			
Repairs	1,500,000	1,522,050	(22,050)
Other	<u>1,947,792</u>	<u>666,298</u>	<u>1,281,494</u>
Total operations and maintenance	13,932,031	13,448,749	483,282
Pupil transportation			
Nonsalaries	<u>1,154,638</u>	<u>980,326</u>	<u>174,312</u>
Total pupil transportation	1,154,638	980,326	174,312

Level of detail presented is greater than the approved budget.

GRAND RAPIDS PUBLIC SCHOOLS  
 DETAILS OF EXPENDITURES - BUDGET AND ACTUAL  
 GENERAL FUND (GRANTS)  
 YEAR ENDED JUNE 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Actual (Over)/Under Budget</u>
Support services (continued)			
Staff and personnel services			
Salaries			
Planning, research and evaluation	\$ 426,242	\$ 404,933	\$ 21,309
Communications	12,000	12,000	
Personnel services	262,458	199,963	62,495
Information services	1,434,904	1,504,737	(69,833)
Benefits and payroll taxes			
Planning, research and evaluation	287,432	262,698	24,734
Communications	6,738	6,738	
Personnel services	124,268	86,086	38,182
Information services	1,095,551	1,140,819	(45,268)
Nonsalaries			
Planning, research and evaluation	218,652	183,819	34,833
Communications	1,016,950	893,731	123,219
Personnel services	569,556	159,422	410,134
Information services	1,854,149	1,051,142	803,007
Total staff and personnel services	<u>7,308,900</u>	<u>5,906,088</u>	<u>1,402,812</u>
Student activities			
Salaries	250,000	250,000	
Benefits and payroll taxes	140,375	140,375	
Nonsalaries	604,346	594,342	10,004
Total student activities	<u>994,721</u>	<u>984,717</u>	<u>10,004</u>
Total support services	<u>53,387,869</u>	<u>48,842,242</u>	<u>4,545,627</u>
Community services			
Salaries	618,772	336,758	282,014
Benefits and payroll taxes	459,631	248,873	210,758
Nonsalaries	2,143,210	1,109,805	1,033,405
Total community services	<u>3,221,613</u>	<u>1,695,436</u>	<u>1,526,177</u>
Facility acquisition / building improvements	39,351	29,500	9,851
Expenses redistributed	3,362,091	3,434,012	(71,921)
Total expenditures	<u>\$ 107,650,858</u>	<u>\$ 96,058,153</u>	<u>\$ 11,592,705</u>

Level of detail presented is greater than the approved budget.

GRAND RAPIDS PUBLIC SCHOOLS  
 DETAILS OF EXPENDITURES - BUDGET AND ACTUAL  
 GENERAL FUND (ATHLETICS)  
 YEAR ENDED JUNE 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Actual (Over)/Under Budget</u>
Support services			
Fiscal services			
Nonsalaries	\$ 55,000	\$ 50,706	\$ 4,294
Total fiscal services	<u>55,000</u>	<u>50,706</u>	<u>4,294</u>
Pupil transportation			
Nonsalaries	<u>190,110</u>	<u>175,096</u>	<u>15,014</u>
Total pupil transportation	<u>190,110</u>	<u>175,096</u>	<u>15,014</u>
Student activities			
Salaries	1,277,334	1,174,806	102,528
Benefits and payroll taxes	763,998	714,234	49,764
Nonsalaries	<u>949,950</u>	<u>806,888</u>	<u>143,062</u>
Total student activities	<u>2,991,282</u>	<u>2,695,928</u>	<u>295,354</u>
Total support services	<u>3,236,392</u>	<u>2,921,730</u>	<u>314,662</u>
Athletics transfer from general programs	(2,681,372)	(2,266,594)	(414,778)
Total expenditures	<u>\$ 555,020</u>	<u>\$ 655,136</u>	<u>\$ (100,116)</u>

Level of detail presented is greater than the approved budget.

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GRAND RAPIDS PUBLIC SCHOOLS  
SCHEDULE OF BONDED DEBT  
DEBT SERVICE FUNDS  
JUNE 30, 2024

Description of issue	Issue of 2016		Issue of 2016	
Date of issue	March 16, 2016		March 16, 2016	
Amount of original issue	\$45,415,000		\$77,100,000	
Principal maturity	May 1		May 1	
Interest maturity	November 1 and May 1		November 1 and May 1	
Interest rates on outstanding bonds	4.0% to 5.0%		4.0% to 5.0%	
Maturity of Debt	Principal	Interest	Principal	Interest
Year ending June 30:				
2025	\$ 2,855,000	\$ 1,442,500	\$ 1,850,000	\$ 2,077,500
2026	3,010,000	1,299,750	1,925,000	1,985,000
2027	3,160,000	1,149,250	1,975,000	1,888,750
2028	3,335,000	991,250	2,050,000	1,790,000
2029	3,505,000	824,500	2,100,000	1,687,500
2030	6,475,000	649,250	2,800,000	1,582,500
2031	6,510,000	325,500	2,900,000	1,442,500
2032			3,050,000	1,297,500
2033			3,150,000	1,145,000
2034			3,275,000	987,500
2035			3,375,000	823,750
2036			3,500,000	655,000
2037			3,625,000	480,000
2038			3,750,000	298,750
2039			2,225,000	111,250
2040				
2041				
2042				
2043				
2044				
2045				
2046				
2047				
2048				
2049				
Totals	<u>\$ 28,850,000</u>	<u>\$ 6,682,000</u>	<u>\$ 41,550,000</u>	<u>\$ 18,252,500</u>

Issue of 2017		Issue of 2019		Issue of 2024	
March 21, 2017		May 14, 2019		March 6, 2024	
\$45,760,000		\$75,630,000		\$94,700,000	
May 1		November 1		May 1	
November 1 and May 1		November 1 and May 1		November 1 and May 1	
5.00%		5.00%		5.00%	
Principal	Interest	Principal	Interest	Principal	Interest
\$ 4,360,000	\$ 1,204,500	\$ 1,900,000	\$ 2,960,000	\$ 7,500,000	\$ 5,458,403
4,580,000	986,500	2,000,000	2,862,500	3,925,000	4,360,000
4,810,000	757,500	2,100,000	2,760,000		4,163,750
5,045,000	517,000	2,200,000	2,652,500		4,163,750
5,295,000	264,750	2,300,000	2,540,000		4,163,750
		2,450,000	2,421,250		4,163,750
		2,550,000	2,296,250		4,163,750
		2,650,000	2,166,250	2,960,000	4,163,750
		2,800,000	2,030,000	3,110,000	4,015,750
		2,900,000	1,887,500	3,265,000	3,860,250
		3,050,000	1,738,750	3,425,000	3,697,000
		3,200,000	1,582,500	3,600,000	3,525,750
		3,350,000	1,418,750	3,780,000	3,345,750
		3,500,000	1,247,500	3,965,000	3,156,750
		3,600,000	1,070,000	4,165,000	2,958,500
		3,700,000	887,500	4,375,000	2,750,250
		3,800,000	700,000	4,590,000	2,531,500
		3,900,000	507,500	4,820,000	2,302,000
		4,050,000	308,750	5,065,000	2,061,000
		4,150,000	103,750	5,315,000	1,807,750
				5,580,000	1,542,000
				5,860,000	1,263,000
				6,155,000	970,000
				6,460,000	662,250
				6,785,000	339,250
<u>\$ 24,090,000</u>	<u>\$ 3,730,250</u>	<u>\$ 60,150,000</u>	<u>\$ 34,141,250</u>	<u>\$ 94,700,000</u>	<u>\$ 75,589,653</u>

Totals	
Principal	Interest
\$ 18,465,000	\$ 13,142,903
15,440,000	11,493,750
12,045,000	10,719,250
12,630,000	10,114,500
13,200,000	9,480,500
11,725,000	8,816,750
11,960,000	8,228,000
8,660,000	7,627,500
9,060,000	7,190,750
9,440,000	6,735,250
9,850,000	6,259,500
10,300,000	5,763,250
10,755,000	5,244,500
11,215,000	4,703,000
9,990,000	4,139,750
8,075,000	3,637,750
8,390,000	3,231,500
8,720,000	2,809,500
9,115,000	2,369,750
9,465,000	1,911,500
5,580,000	1,542,000
5,860,000	1,263,000
6,155,000	970,000
6,460,000	662,250
6,785,000	339,250
<u>\$ 249,340,000</u>	<u>\$ 138,395,653</u>

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GRAND RAPIDS PUBLIC SCHOOLS  
 DETAILS OF REVENUE, EXPENDITURES AND FUND BALANCES  
 TRUST FUNDS  
 YEAR ENDED JUNE 30, 2024

	Net Position <u>June 30, 2023</u>	<u>Increases</u>	<u>Decreases</u>	Net Position <u>June 30, 2024</u>
Nonexpendable public purpose trust funds				
Principal accounts - endowment:				
Mary Amberg Award Fund	\$ 525			\$ 525
Central High School Scholarship Award of the Class of 1926	1,400			1,400
Emma J. Cole Fund	1,500			1,500
Mary Croninger Dutcher Voice and String Instrument Fund	53,949			53,949
Kathy French Scholarship Fund	8,436			8,436
Hugh H. Hayes Memorial Award Fund	500			500
Elwood F. Demmon - Albert Jennings Scholarship Fund	5,533			5,533
Marian L. Jennings Scholarship Fund	1,023			1,023
Anne H. Kerr French Scholarship Fund	1,000			1,000
Peter H. Moll Travel Award Fund	1,555			1,555
Loretta Ortt Trust Fund	23,819			23,819
Ottawa Hills High School Scholarship Award of the Class of 1976	710			710
Olga Perschbacher Trust	12,400			12,400
Mary R. Powers Fund	3,889			3,889
Edna L. and Katheryn Pugsley Elementary School Trust	87,875			87,875
Union High School Bookstore Award for Excellence	10,000			10,000
Gustave A. Wolf Fund	15,000			15,000
Walter Wood Memorial Fund	29,761			29,761
Total nonexpendable trust funds	<u>258,875</u>			<u>258,875</u>
Expendable trust funds				
Principal accounts - expendable:				
Board of Education Trust Fund	13,448	\$ 642	\$ 850	13,240
Ralph G. Conger Fund	681	33	50	664
Myrtle Freeman Trust	38,586	1,840		40,426
Newcomer Award Fund	11,759	1,277	200	12,836
Total principal accounts	<u>64,474</u>	<u>3,792</u>	<u>1,100</u>	<u>67,166</u>

GRAND RAPIDS PUBLIC SCHOOLS  
 DETAILS OF REVENUE, EXPENDITURES AND FUND BALANCES  
 TRUST FUNDS  
 YEAR ENDED JUNE 30, 2024

	Net Position June 30, 2023	Increases	Decreases	Net Position June 30, 2024
Income accounts of endowment funds:				
Mary Amberg Award Fund	\$ 147	\$ 32		\$ 179
Central High School Scholarship				
Award of the Class of 1926	32	69	\$ 30	71
Emma J. Cole Fund	11,478	627		12,105
Mary Croninger Dutcher Voice and				
String Instrument Fund	28,645	3,990		32,635
Kathy French Scholarship Fund	3,767	585	500	3,852
Hugh H. Hayes Memorial Award Fund	22	26		48
Elwood F. Demmon - Albert Jennings				
Scholarship Fund	2,462	385	150	2,697
Marian L. Jennings Scholarship Fund	33	51		84
Anne H. Kerr French Scholarship Fund	1,116	101	100	1,117
Peter H. Moll Travel Award Fund	567	102		669
Loretta Ortt Trust Fund	21,636	2,196		23,832
Ottawa Hills High School Scholarship				
Award of the Class of 1976	186	44		230
Olga Perschbacher Trust	36,850	6,959	500	43,309
Mary R. Powers Fund	350	204	100	454
Edna L. and Katheryn Pugsley				
Elementary School Trust	32,540	5,817		38,357
Union High School Bookstore Award				
for Excellence	1,548	554	300	1,802
Gustave A. Wolf Fund	2,061	819	450	2,430
Walter Wood Memorial Fund	7,956	1,819	200	9,575
Total income accounts	<u>151,396</u>	<u>24,380</u>	<u>2,330</u>	<u>173,446</u>
Total expendable trust funds	<u>215,870</u>	<u>28,172</u>	<u>3,430</u>	<u>240,612</u>
Total public purpose trust funds	<u>\$ 474,745</u>	<u>\$ 28,172</u>	<u>\$ 3,430</u>	<u>\$ 499,487</u>
Private purpose trust funds				
Principal accounts - endowment:				
James Henry Schnoor and Minnie				
Schnoor Memorial Scholarship Fund	\$ 14,028			\$ 14,028
Principal accounts - expendable:				
Lincoln School Trust	55,619	\$ 2,687		58,306
Income accounts of endowment funds:				
James Henry Schnoor and Minnie				
Schnoor Memorial Scholarship Fund	2,729	802	\$ 1,000	2,531
Total private purpose trust funds	<u>\$ 72,376</u>	<u>\$ 3,489</u>	<u>\$ 1,000</u>	<u>\$ 74,865</u>

GRAND RAPIDS PUBLIC SCHOOLS  
PROPERTY TAX DATA  
JUNE 30, 2024

	Balance July 1, 2023	Assessments	Cash Collections	Prior Year Assessment Adjustments	Balance June 30, 2024
<b>General Fund</b>					
Delinquent taxes:					
2023		\$ 49,125,616	\$ 49,125,616		
2022			63,524	\$ 63,524	
2021			36,790	36,790	
2020			19,047	19,047	
2019			2,110	2,110	
2018			1,073	1,073	
Interest and penalties assessed at the time of collection		235,601	235,601		
<b>Total General Fund</b>		<u>49,361,217</u>	<u>49,483,761</u>	<u>122,544</u>	
<b>Debt Service Fund</b>					
Delinquent taxes:					
2023		22,981,178	22,874,014		107,164
2022	\$ 8,550		23,459	14,909	
2021			11,675	11,675	
2020			4,675	4,675	
2019			1,706	1,706	
2018			760	760	
Interest and penalties assessed at the time of collection		89,626	89,626		
<b>Total Debt Service Fund</b>	<u>8,550</u>	<u>23,070,804</u>	<u>23,005,915</u>	<u>33,725</u>	<u>107,164</u>
<b>Sinking Fund</b>					
Delinquent taxes:					
2016			764	764	
Interest and penalties assessed at the time of collection					
<b>Total Sinking Fund</b>			<u>764</u>	<u>764</u>	
<b>Total property taxes receivable</b>	<u>\$ 8,550</u>	<u>\$ 72,432,022</u>	<u>\$ 72,490,440</u>	<u>\$ 157,033</u>	<u>107,164</u>
<b>OTHER INFORMATION</b>					
	Primary Residence (PRE)	Non-PRE	TIFA Districts	Renaissance Zone	
Taxable value of property in the City of Grand Rapids	<u>\$ 3,065,323,324</u>	<u>\$ 3,219,639,549</u>	<u>\$ 310,671,942</u>	<u>\$ 15,788,116</u>	
Tax levy (mills)					
General Fund		18.0000			
Debt Service	3.8500	3.8500			
<b>Total tax levy</b>	<u>3.8500</u>	<u>21.8500</u>			
Official student enrollment					<u>13,685</u>

GRAND RAPIDS PUBLIC SCHOOLS  
TEN YEAR SUMMARY OF TAX ASSESSMENTS AND COLLECTIONS  
JUNE 30, 2024

Assessed valuation and school taxes:

	Assessed Valuation of Property (A)			School Tax Rate Per \$1,000 of Assessed Valuation		
	PRE	Non-PRE	Total	Operating (Mills)	Debt Service (Mills)	Sinking Fund (Mills)
	2014	1,907,224,073	2,174,820,521	4,082,044,594	18.0000 (C)	2.60
2015	1,945,900,130	2,177,917,494	4,123,817,624	18.0000 (C)	2.80	1.00
2016	1,982,044,722	2,142,526,641	4,124,571,363	18.0000 (D)	4.75	0.9949
2017	2,077,657,402	2,229,262,979	4,306,920,381	18.0000 (C)	4.25	
2018	2,210,554,582	2,353,605,120	4,564,159,702	18.0000 (C)	4.30	
2019	2,348,785,773	2,488,524,375	4,837,310,148	18.0000 (C)	4.85	
2020	2,497,367,697	2,642,560,392	5,139,928,089	18.0000 (C)	4.85	
2021	2,625,725,493	2,764,553,005	5,390,278,498	18.0000 (C)	3.85	
2022	2,831,248,006	2,964,590,114	5,795,838,120	18.0000 (C)	3.85	
2023	3,065,323,324	3,219,639,549	6,284,962,873	18.0000 (C)	3.85	

Levy and collections (B):

Year ended June 30	Total Levy for All School Purposes	Collection of Current Year's Levy	Collection of Prior Years' Levies	Total Collections
2015	43,366,325	43,366,325	1,020,220	44,386,545
2016	44,479,989	44,212,610	133,345	44,345,955
2017	51,922,241	51,922,241	313,802	52,236,043
2018	50,458,215	50,354,767	106,634	50,461,401
2019	50,763,484	50,666,810	217,604	50,884,414
2020	55,060,160	54,933,153	160,244	55,093,397
2021	58,137,275	58,137,275	339,816	58,477,091
2022	56,247,047	56,040,150	239,967	56,280,117
2023	67,569,994	67,561,444	315,189	67,876,633
2024	72,106,794	71,999,630	164,819	72,164,449

- (A) The assessed valuations shown above represent the state-equalized amounts for General Fund purposes.
- (B) The amounts shown for tax collections are exclusive of collections of trailer fees and interest and penalties, except insofar as penalties added to tax sale redemption accounts have been collected.
- (C) In addition to these mills levied locally on non-homestead property, an additional 6 mills for homestead and non-homestead property are levied by the State of Michigan.
- (D) In addition to these mills levied locally on non-homestead property, an additional 6 mills for homestead and non-homestead property are levied by the State of Michigan. The sinking fund millage has been reduced by 0.0051 mills, attributable to Headlee Amendment rollbacks.