NEWAYGO PUBLIC SCHOOLS

NEWAYGO, MICHIGAN

REPORT ON FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2026

NEWAYGO PUBLIC SCHOOLS
NEWAYGO, MICHIGAN

ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2026

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Newaygo Public Schools
Newaygo, Michigan

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Newaygo Public Schools, Newaygo, Michigan as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the 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 Newaygo Public Schools, as of June 30, 2026, and the respective changes in 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 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 Newaygo Public Schools and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As discussed in Note 4 to the financial statements, the District adopted GASB Statement No. 103, *Financial Reporting Model Improvements*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Newaygo Public Schools' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgement 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 Newaygo Public Schools' internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Newaygo Public Schools' ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as identified in the table of contents, on pages 4-12 and 50-59 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Newaygo Public Schools' basic financial statements. The accompanying combining fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining fund financial statements, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the bond schedules but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 20, 2026, on our consideration of Newaygo Public Schools' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Newaygo Public Schools' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Newaygo Public Schools' internal control over financial reporting and compliance.

UHY LLP

Cadillac, Michigan
October 20, 2026

NEWAYGO PUBLIC SCHOOLS
NEWAYGO, MICHIGAN

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR FISCAL YEAR ENDED JUNE 30, 2026

This section of Newaygo Public Schools' ("the District") annual report presents our discussion and analysis of the District's financial performance during the year ended June 30, 2026. Please read it in conjunction with the District's financial statements, which immediately follow this section.

The purpose of management's discussion and analysis (MD&A) is to help the District's residents and other readers understand what the financial statements and notes in this financial report say about the District's financial health and why it changed since last year. It contains information drawn from those other parts of the report, accompanied by explanations informed by the finance staff's knowledge of the District's finances.

OVERVIEW OF THE FINANCIAL STATEMENTS

The District's financial report contains basic financial statements. Those financial statements present the District's finance at both an overall and a detailed level. The first two - the *government-wide financial statemen*ts - cover the District's governmental activities. (See the diagram in Figure A-1.)

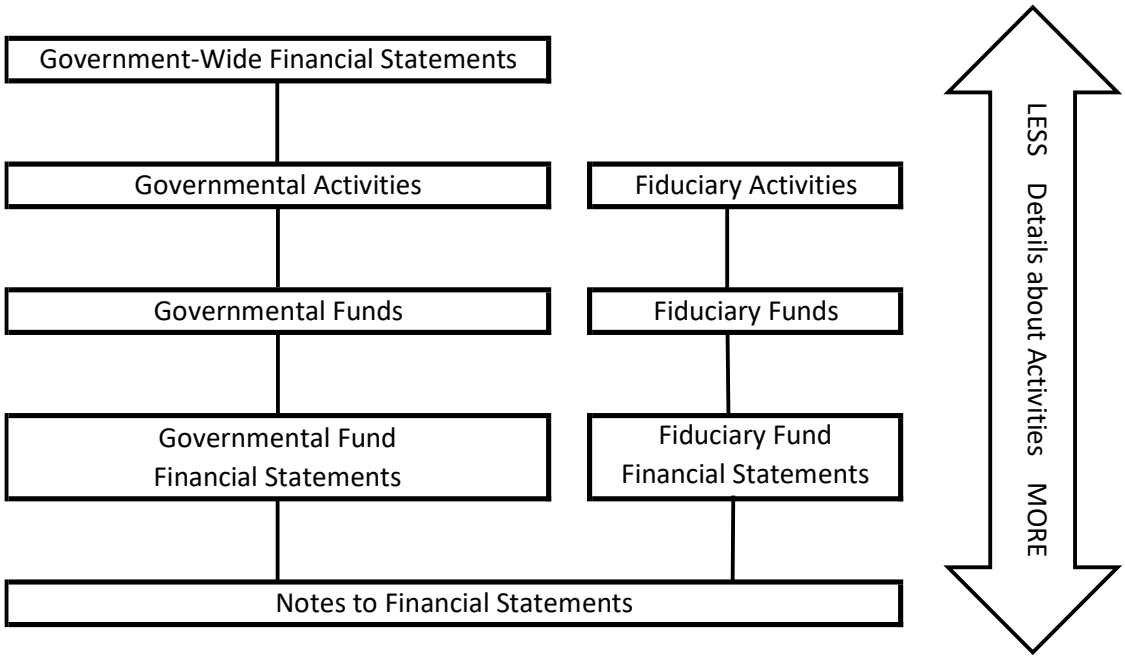
- *Governmental activities* comprise the District's most basic functions, such as instruction, supporting services, and food services. Governmental activities primarily are financed by property taxes from non-personal residence exemption properties, state aid foundation, and federal grants. These statements provide both short-term and long-term information.

The remaining basic financial statements present the District's finances in greater detail and present fiduciary activities. As their name implies, the fund financial statements disaggregate financial information by separate funds to report on the specific purposes for which resources are used or for which they are restricted. The District reports two groups of funds:

- *Governmental fund financial statements* report all of the governmental activities. In addition to the District's main operating fund - the general fund - those financial statements report special revenue funds that track the use of restricted or committed funding sources, debt service funds to record the repayment of outstanding bonds, and capital projects funds to account for resources used to acquire or construct long-lived assets.

- *Fiduciary fund financial statements* report resources for which the District acts as a trustee or custodian. The resources in this fund do not belong to the District and cannot be used to provide services, which is why they are not included in the government-wide financial statements.

Figure A-1. Contents of the District's Basic Financial Statements



The next section of this financial report contains notes to financial statements, which delve deeper into the District's finances as reported in the financial statements. The information in the notes is as important to understanding the District's finances as the information in the financial statements. The District uses notes to (1) present information in greater detail than is possible within the financial statements themselves, (2) explain the nature of amounts reported in the financial statements and how those amounts were determined, and (3) report certain information that does not meet the requirements for inclusion in the financial statements (such as certain contingencies).

TYPES OF INFORMATION IN THE FINANCIAL STATEMENTS

All of the District's financial statements, except for the governmental fund financial statements, use the economic resources measurement focus and accrual basis of accounting. (See Figure A-2.) In other words, they comprehensively report all types of financial statement elements:

- *Assets* - resources the District controls, from short-term assets like cash and cash equivalents to long-term assets like buildings and transportation equipment.

- *Liabilities* - amounts the District owes, from short-term liabilities such as salaries and related items to long-term liabilities such as outstanding debt and pension obligations.

- *Deferred outflows of resources and deferred inflows of resources* - flows that occurred during the year, or in prior years, that will not be reported as expenses and revenues until the future year to which they are related.

- *Revenues and expenses* - inflows and outflows of economic resources, respectively, related to the current year.

Governmental fund financial statements use the current financial resources measurement focus and modified accrual basis of accounting to report on the sources, uses, and balances of current financial resources. The governmental funds do not report nonfinancial assets, such as capital assets, or certain other long-term items, such as general obligation bonds, but they do report the flows of current financial resources related to those long-term items; for example, the proceeds from issuing bonds or selling equipment, as well as principal and interest payments on bonds and spending on construction.

Figure A-2. Types of Information Reported in the District's Financial Statements

	Financial Statements		
	Government-wide	Fiduciary Fund	Governmental Funds
Types of assets and liabilities	* All assets and liabilities, both financial and nonfinancial, short term and long term		* Only current financial resources, such as cash, receivables, and accounts payable
Types of revenues/ additions	* All types of revenues/additions that flow into the District during the year that relate to that year, regardless of when cash is received		* Only revenues that are measurable and available to finance expenditures of that year
Types of expenses/ deductions/ expenditures	* All types of expenses/deductions that flow out of the District during the year that relate to that year, regardless of when cash is paid		* Only expenditures for which the related governmental fund liability is incurred in that year
Types of deferred outflows of resources and deferred inflows of resources	* All types of resources that flow into and out of the District during the year that relate to a future year		* Current financial resources that flow into and out of the governmental funds during the year that relate to a future year

More detail about the measurement focuses and bases of accounting can be found in the first note to financial statements, the summary of significant accounting policies.

ANALYSIS OF THE DISTRICT'S FINANCES

Newaygo Public Schools' Net Position

	2026	2025	Dollar Change	Total Percentage Change
Assets				
Current Assets	$ 25,921,976	$ 13,649,640	$ 12,272,336	89.9%
Non Current Assets	50,828,552	43,806,715	7,021,837	16.0%
Total Assets	76,750,528	57,456,355	19,294,173	33.6%
Deferred Outflows of Resources	7,452,825	9,833,906	(2,381,081)	-24.2%
Liabilities				
Current Liabilities	7,671,580	6,153,022	1,518,558	24.7%
Non Current Liabilities	61,768,799	51,127,794	10,641,005	20.8%
Total Liabilities	69,440,379	57,280,816	12,159,563	21.2%
Deferred Inflows of Resources	12,937,906	13,662,769	(724,863)	-5.3%
Net Position				
Net Investment in Capital Assets	16,052,820	15,523,310	529,510	3.4%
Restricted for Debt Service	705,476	658,087	47,389	7.2%
Restricted for Net Other Post Employment Benefits Asset	6,183,592	4,372,330	1,811,262	41.4%
Unrestricted (Deficit)	(21,116,820)	(24,207,051)	3,090,231	12.8%
Total Net Position (Deficit)	$ 1,825,068	$ (3,653,324)	$ 5,478,392	150.0%

The above table shows that as of June 30, 2026, the District's total net position - assets and deferred outflows minus liabilities and deferred inflows - was $1,825,068, an increase of $5,478,392 or 150% compared with 2025. There was a $3,090,231, or 12.8%, increase in unrestricted net position. The following sections of MD&A analyze the finances of the governmental activities.

GOVERNMENTAL ACTIVITIES

The table below shows that revenues continued to exceed expenses in the current year, resulting in an increase in net position. The total net position of the District's governmental activities was $1,825,068, an increase of $5,478,392 or 150% from 2025. Various events contributed to this increase in net position; however, the primary factors affecting the change in net position are as follows:

1. Net change in accruals related to Pension and Other Post Employment Benefits (OPEB).
2. Investment earnings.
3. Capital Outlay purchases.

Changes in Newaygo Public Schools' Net Position

	2026	2025	Dollar Change	Total Percentage Change
General Revenues				
Property Taxes	$ 7,006,402	$ 6,706,886	$ 299,516	4.5%
Investment Earnings	273,601	380,471	(106,870)	-28.1%
State Sources	10,987,578	10,733,067	254,511	2.4%
Other	172,286	250,449	(78,163)	-31.2%
Total General Revenues	18,439,867	18,070,873	368,994	2.0%
Program Revenues				
Charges for Services	145,239	152,168	(6,929)	-4.6%
Operating Grants and Contributions	7,263,770	9,094,008	(1,830,238)	-20.1%
Capital Grants and Contributions	330,910	277,921	52,989	19.1%
Total Program Revenues	7,739,919	9,524,097	(1,784,178)	-18.7%
Total Revenues	26,179,786	27,594,970	(1,415,184)	-5.1%
Expenses				
Instruction	11,038,018	11,952,184	(914,166)	-7.6%
Supporting Services	6,911,981	8,150,830	(1,238,849)	-15.2%
Community Services	0	125,260	(125,260)	-100.0%
Payments to Other Districts	0	3,448	(3,448)	-100.0%
Facilities Acquisition, Construction and Improvements	44,914	30,901	14,013	45.3%
Interest on Long-Term Debt	854,495	899,575	(45,080)	-5.0%
Bond Issuance Costs	402,885	0	402,885	100.0%
Unallocated Depreciation	1,449,101	1,418,424	30,677	2.2%
Total Expenses	20,701,394	22,580,622	(1,879,228)	-8.3%
Change in Net Position	5,478,392	5,014,348	464,044	9.3%
Net Position (Deficit) - Beginning of Year	(3,653,324)	(8,667,672)	5,014,348	57.9%
Net Position (Deficit) - End of Year	$ 1,825,068	$ (3,653,324)	$ 5,478,392	150.0%

Net Change in Accruals Related to Pension and Other Post Employment Benefits (OPEB)

There was a notable decrease in the net pension and OPEB related future costs, which are primarily a result of actuarially determined future liabilities, and payments made against these liabilities by the District. The liabilities decreased in total by approximately $5 million in the current fiscal year, which is the main cause for the increase in net position.

Investment Earnings

The District earned $273,601 on its investments, which contributed to the increase in net position for the year.

Capital Outlay

The District capitalized $6,659,676 which contributed to the increase in net position for the year.

GOVERNMENTAL FUNDS

The District reports three major funds individually in the governmental fund financial statements. These funds are listed in the table below. Most of the discussion regarding governmental activities is equally applicable to the finances of this governmental fund. However, certain factors that are relevant to the District's current financial health are more apparent in the fund financial statements than in the government-wide statements. The changes are shown in the table below and are discussed in more detail following the table.

	2026	2025	Increase (Decrease)
Major Fund			
General Fund	$ 4,171,665	$ 3,829,881	$ 341,784
2024 Capital Projects	170,781	4,438,172	(4,267,391)
2026 Capital Projects	14,033,491	0	14,033,491
Nonmajor Funds			
Food Service	843,206	866,786	(23,580)
Student Activities	150,986	148,949	2,037
2015 Debt Retirement	127,255	295,453	(168,198)
2016 Debt Retirement	284,576	167,779	116,797
2017 Debt Retirement	275,964	161,343	114,621
2024 Debt Retirement	218,065	194,512	23,553
Capital Improvement	9,475	9,440	35
Total Governmental Funds	$ 20,285,464	$ 10,112,315	$ 10,173,149

Fund balance represents the financial standing of a governmental fund at the end of the fiscal year from a short-term perspective.

General Fund

The fund balance of the District's general fund increased by 8.9%. The increase was mainly due to a decrease in overall expenditures from not filling all open positions, repairs and maintenance expenditures decreased due to renovations happening with bond funds, as well as less capital outlay expenditures.

The overall fund balance at the end of June 30, 2026, represented approximately 19.1% of operating expenditures. Within fund balance, approximately 97% of the balance is considered unassigned. The remaining 3% is considered either nonspendable or assigned for other items and is not readily available for use.

2024 Capital Projects Fund

The fund balance for the 2024 Capital Projects Fund is considered to be 100% restricted. This means that the fund balance can only be used for the restricted purpose of that fund and is not readily available for use. The decrease in fund balance is a result of the District spending down the dollars from the 2024 bond issuance as the project is close to completion.

2026 Capital Projects Fund

The fund balance for the 2026 Capital Projects Fund is considered to be 100% restricted. This means that the fund balance can only be used for capital projects and is not readily available for use. This is a new fund this year and the increase in fund balance is a result of the issuance of the 2026 School Building and Site Bonds.

SIGNIFICANT CAPITAL ASSET AND LONG-TERM OBLIGATIONS

Capital Assets

The discussion thus far has only touched upon certain significant transactions and events during 2026 with respect to capital assets and long-term obligations. Overall, the carrying value of capital assets-original cost minus accumulated depreciation- increased 13.2% over 2025. See the table below for the carrying value of capital assets.

Newaygo Public Schools' Capital Assets

	2026			2025	Change in	Total
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value	Net Book Value	Percentage Change
Land	$ 514,975	$ 0	$ 514,975	$ 514,975	$ 0	0.0%
Construction in Progress	7,944,062	0	7,944,062	1,912,346	6,031,716	315.4%
Buildings and Improvements	52,312,080	18,229,907	34,082,173	35,186,324	(1,104,151)	-3.1%
Buses and Other Vehciles	2,706,849	1,822,798	884,051	856,491	27,560	3.2%
Furniture and Equipment	3,207,951	1,988,252	1,219,699	964,249	255,450	26.5%
Total	$66,685,917	$ 22,040,957	$44,644,960	$39,434,385	$ 5,210,575	13.2%

A significant reason for the increase in the net capital assets relates to the construction in progress category. During 2026, the District was in the process of various building improvements that were not completed during the year and therefore, were not placed into service. The additions of capital assets outpaced the depreciation during the year, resulting in a net increase in capital assets.

The District has also committed $9,931,259 for School Building improvements related to the bond project.

Long-Term Obligations

Overall, the carrying value of the District's long-term obligations increased by 49.8% from the prior year. See the table below for the carrying value of the District's long-term obligations.

Newaygo Public Schools
Outstanding Long-Term Obligations

	2026	2025	Dollar Change	Total Percentage Change
General Obligation Bonds	$ 41,710,000	$ 27,590,000	$ 14,120,000	51.2%
Compensated Absences	805,139	798,637	6,502	0.8%
Total	$ 42,515,139	$ 28,388,637	$ 14,126,502	49.8%

During 2026, the District issued new general obligation bonds of $15,810,000 which caused the overall increase in general obligation bonds. The district also had scheduled debt payments on existing outstanding obligations. The total amount of principal paid in the current year was $1,690,000. There was a minimal change in compensated absences during the year.

CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS

There are several factors that could significantly affect the financial health of the District in the future.

The District considers many factors when setting the 2026/2027 fiscal year budget. One of the most important factors affecting the budget is our student count. The state foundation revenue is determined by multiplying the blended student count by the foundation allowance per pupil. The blended count for the 2026/2027 fiscal year will be 90% of the Fall 2026 and 10% of Spring 2026. Approximately 70% of the General Fund revenue comes from state sources. The 2026/2027 original budget reflects a decrease in student count of 20 students and an increase in the foundation allowance of $250 per student at the time of the budget approvals by the board in June of 2026. The state approved a final budget on July 21, 2026 for the 2026/2027 fiscal year's district's budget. The per pupil funding was approved at the increase of $250 per student, the same increase that was approved by the board in June. The state has continued the use of School Aid to help pay for Districts' retirement obligations with the Office of Retirement Services. These funds are received by the District and disbursed immediately during the month it is received back to the retirement office through the District's payroll account. Beginning with the 2012/13 fiscal year, there have been several different retirement rates set depending on which retirement plan individuals chose based on eligibility. Although there are many, the majority of our employees are on the plan that they would have elected as of February 2014.

The District has also submitted a revised Food Service spend down plan which was approved by the state. These funds will need to be spent by June 30, 2027 and can only be spent for Food Service allowable costs to that program.

The District has settled a contract with the support staff and with the teachers' union for the 2026/2027 school year. The support staff and the teacher contract will expire June 30, 2028.

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report, or need additional financial information, please contact the Business Department, Newaygo Public Schools, 360 S. Mill Street, Newaygo, Michigan 49337.

NEWAYGO PUBLIC SCHOOLS
NEWAYGO, MICHIGAN

STATEMENT OF NET POSITION

JUNE 30, 2026

	GOVERNMENTAL ACTIVITIES
ASSETS	
CURRENT ASSETS	
Cash and Cash Equivalents	$ 5,270,541
Restricted Cash and Cash Equivalents	16,993,036
Accounts Receivable	44,497
Due from Other Governmental Units	3,583,996
Prepaid Expenses	711
Inventory	29,195
Total Current Assets	25,921,976
NON CURRENT ASSETS	
Other Postemployment Benefits Asset	6,183,592
Capital Assets (Net of Accumulated Depreciation)	
Assets Being Depreciated	36,185,923
Assets Not Being Depreciated	8,459,037
Total Non Current Assets	50,828,552
TOTAL ASSETS	76,750,528
DEFERRED OUTFLOWS OF RESOURCES	
Pension Related Items	6,133,022
Other Postemployment Benefits Related Items	1,319,803
TOTAL DEFERRED OUTFLOWS OF RESOURCES	7,452,825
LIABILITIES	
CURRENT LIABILITIES	
Accounts Payable	2,102,749
Retainage Payable	231,283
Due to Other Governments	567,319
Salaries Payable	851,669
Accrued Expenses and Benefits Payable	727,695
Unearned Revenue	1,155,797
Accrued Interest Payable	200,384
Current Portion of Non Current Liabilities	1,834,684
Total Current Liabilities	7,671,580

The notes to the financial statements are an integral part of this statement.

NEWAYGO PUBLIC SCHOOLS
NEWAYGO, MICHIGAN

STATEMENT OF NET POSITION

JUNE 30, 2026

	GOVERNMENTAL ACTIVITIES
NON CURRENT LIABILITIES	
Bonds Payable (Net)	42,796,412
Compensated Absences	805,139
Net Pension Liability	20,001,932
Less Current Portion of Non Current Liabilities	(1,834,684)
Total Non Current Liabilities	61,768,799
TOTAL LIABILITIES	69,440,379
DEFERRED INFLOWS OF RESOURCES	
Pension Related Items	7,670,466
Other Postemployment Benefits Related Items	5,267,440
TOTAL DEFERRED INFLOWS OF RESOURCES	12,937,906
NET POSITION	
Net Investment in Capital Assets	16,052,820
Restricted for Debt Service	705,476
Restricted for Net Other Post Employment Benefits Asset	6,183,592
Unrestricted (Deficit)	(21,116,820)
TOTAL NET POSITION	$ 1,825,068

The notes to the financial statements are an integral part of this statement.

NEWAYGO PUBLIC SCHOOLS
NEWAYGO, MICHIGAN

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2026

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	PROGRAM REVENUES: CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES: NET (EXPENSES) REVENUES AND CHANGE IN NET POSITION
GOVERNMENTAL ACTIVITIES					
Instruction	$ 11,038,018	$ 0	$ 4,671,795	$ 0	$ (6,366,223)
Supporting Services	6,911,981	145,239	2,573,432	330,910	(3,862,400)
Community Services	0	0	18,543	0	18,543
Facilities Acquisition, Construction and Improvements	44,914	0	0	0	(44,914)
Interest on Long Term Debt	854,495	0	0	0	(854,495)
Bond Issuance Costs	402,885	0	0	0	(402,885)
Unallocated Depreciation	1,449,101	0	0	0	(1,449,101)
TOTAL GOVERNMENTAL ACTIVITIES	$ 20,701,394	$ 145,239	$ 7,263,770	$ 330,910	(12,961,475)
GENERAL REVENUES					
Property Taxes - General Purposes					4,330,483
Property Taxes - Debt Service					2,675,919
Investment Earnings					273,601
State Sources					10,987,578
Other					172,286
Total General Revenues					18,439,867
Change in Net Position					5,478,392
NET POSITION - Beginning of Year (Deficit)					(3,653,324)
NET POSITION - End of Year					$ 1,825,068

The notes to the financial statements are an integral part of this statement.

NEWAYGO PUBLIC SCHOOLS
NEWAYGO, MICHIGAN

BALANCE SHEET
GOVERNMENTAL FUNDS

JUNE 30, 2026

	GENERAL FUND	CAPITAL PROJECTS FUNDS: 2024 CAPITAL PROJECTS FUND	CAPITAL PROJECTS FUNDS: 2026 CAPITAL PROJECTS FUND	OTHER NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS					
Cash and Cash Equivalents	$ 3,827,433	$ 0	$ 0	$ 1,443,108	$ 5,270,541
Restricted Cash and Cash Equivalents	0	949,089	16,043,947	0	16,993,036
Accounts Receivable	44,497	0	0	0	44,497
Due from Other Funds	1,532,772	0	0	503,502	2,036,274
Due from Other Governmental Units	3,408,626	0	0	175,370	3,583,996
Prepaid Expenditures	711	0	0	0	711
Inventory	0	0	0	29,195	29,195
TOTAL ASSETS	$ 8,814,039	$ 949,089	$ 16,043,947	$ 2,151,175	$ 27,958,250
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	$ 887,122	$ 134,338	$ 996,737	$ 84,552	$ 2,102,749
Retainage Payable	0	40,109	191,174	0	231,283
Due to Other Funds	466,555	603,861	822,545	143,313	2,036,274
Due to Other Governments	567,319	0	0	0	567,319
Salaries Payable	843,773	0	0	7,896	851,669
Accrued Expenses and Benefits Payable	724,727	0	0	2,968	727,695
Unearned Revenue	1,152,878	0	0	2,919	1,155,797
Total Liabilities	4,642,374	778,308	2,010,456	241,648	7,672,786
FUND BALANCES					
Nonspendable:					
Inventory	0	0	0	29,195	29,195
Prepaid Expenditures	711	0	0	0	711
Committed for Capital Improvements	0	0	0	9,475	9,475
Restricted for:					
Debt Service	0	0	0	905,860	905,860
Food Service	0	0	0	814,011	814,011
Capital Projects	0	170,781	14,033,491	0	14,204,272
Assigned for:					
Student Activities	0	0	0	150,986	150,986
Subsequent Year Budget Shortfall	115,703	0	0	0	115,703
Unassigned	4,055,251	0	0	0	4,055,251
Total Fund Balances	4,171,665	170,781	14,033,491	1,909,527	20,285,464
TOTAL LIABILITIES AND FUND BALANCES	$ 8,814,039	$ 949,089	$ 16,043,947	$ 2,151,175	$ 27,958,250

The notes to the financial statements are an integral part of this statement.

NEWAYGO PUBLIC SCHOOLS
NEWAYGO, MICHIGAN

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION

JUNE 30, 2026

Total Governmental Fund Balances		$ 20,285,464
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and are not reported in the funds.		
The cost of the capital assets is	$ 66,685,917	
Accumulated depreciation is	(22,040,957)	44,644,960
Long-term liabilities are not due and payable in the current period and are not reported in the funds.		
Bonds Payable		(41,710,000)
Compensated Absences		(805,139)
Accrued interest is not included as a liability in governmental funds, it is recorded when paid.		(200,384)
Governmental funds expense the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.		
Bond Premium Net of Amortization		(1,086,412)
Some assets are not current financial resources and therefore are not reported in the funds.		
Other Post Employment Benefit Asset		6,183,592
Some liabilities, including net pension and OPEB obligations, are not due and payable in the current period and, therefore, are not reported in the funds.		
Net Pension Liability		(20,001,932)
Deferred outflows and (inflows) of resources related to pensions and other postemployment benefits are applicable to future periods and, therefore, are not reported in the funds.		
Deferred Inflows of Resources Related to Pensions		(7,670,466)
Deferred Outflows of Resources Related to Pensions		6,133,022
Deferred Inflows of Resources Related to Other Postemployment Benefits		(5,267,440)
Deferred Outflows of Resources Related to Other Postemployment Benefits		1,319,803
NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 1,825,068

The notes to the financial statements are an integral part of this statement.

NEWAYGO PUBLIC SCHOOLS
NEWAYGO, MICHIGAN

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2026

		SPECIAL REVENUE FUNDS		DEBT FUNDS				CAPITAL PROJECTS FUNDS				
	GENERAL FUND	FOOD SERVICE FUND	STUDENT ACTIVITIES FUND	2015 DEBT REFUNDING RETIREMENT FUND	2016 DEBT RETIREMENT FUND	2017 DEBT RETIREMENT FUND	2024 DEBT RETIREMENT FUND	2024 CAPITAL PROJECTS FUND	2026 CAPITAL PROJECTS FUND	CAPITAL IMPROVEMENT FUND	OTHER NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES												
Local Sources	$ 4,732,505	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 67,421	$ 45,974	$ 0	$ 2,869,796	$ 7,715,696
State Sources	16,055,989	0	0	0	0	0	0	0	0	0	196,951	16,252,940
Federal Sources	917,492	0	0	0	0	0	0	0	0	0	1,363,176	2,280,668
Other Transactions	400,846	0	0	0	0	0	0	0	0	0	0	400,846
Total Revenues	22,106,832	0	0	0	0	0	0	67,421	45,974	0	4,429,923	26,650,150
EXPENDITURES												
Instruction												
Basic Programs	11,419,989	0	0	0	0	0	0	0	0	0	0	11,419,989
Added Needs	2,805,440	0	0	0	0	0	0	0	0	0	0	2,805,440
Supporting Services												
Pupil	460,125	0	0	0	0	0	0	0	0	0	0	460,125
Instructional Staff	308,535	0	0	0	0	0	0	0	0	0	0	308,535
General Administration	447,228	0	0	0	0	0	0	4,650	0	0	0	451,878
School Administration	1,563,045	0	0	0	0	0	0	0	0	0	0	1,563,045
Business	468,922	0	0	0	0	0	0	0	0	0	0	468,922
Operation and Maintenance of Plant	1,612,063	0	0	0	0	0	0	0	0	0	0	1,612,063
Pupil Transportation Services	1,469,889	0	0	0	0	0	0	0	0	0	0	1,469,889
Other Central Support Services	604,186	0	0	0	0	0	0	0	0	0	0	604,186
Athletic Activities	568,321	0	0	0	0	0	0	0	0	0	0	568,321
Food Service	0	0	0	0	0	0	0	0	0	0	1,541,299	1,541,299
Student Activities	0	0	0	0	0	0	0	0	0	0	118,074	118,074
Community Services												
Community Activities	4,000	0	0	0	0	0	0	0	0	0	0	4,000
Custody and Care of Children	78,308	0	0	0	0	0	0	0	0	0	0	78,308
Facilities Acquisition, Construction and Improvements	4,997	0	0	0	0	0	0	4,330,162	1,927,112	0	0	6,262,271
Debt Service												
Principal	0	0	0	0	0	0	0	0	0	0	1,690,000	1,690,000
Bond Issuance Costs	0	0	0	0	0	0	0	0	402,885	0	0	402,885
Interest and Other	0	0	0	0	0	0	0	0	0	0	965,285	965,285
Total Expenditures	21,815,048	0	0	0	0	0	0	4,334,812	2,329,997	0	4,314,658	32,794,515
Excess (Deficiency) of Revenues Over Expenditures	291,784	0	0	0	0	0	0	(4,267,391)	(2,284,023)	0	115,265	(6,144,365)

The notes to the financial statements are an integral part of this statement.

NEWAYGO PUBLIC SCHOOLS
NEWAYGO, MICHIGAN

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2026

		SPECIAL REVENUE FUNDS		DEBT FUNDS				CAPITAL PROJECTS FUNDS				
	GENERAL FUND	FOOD SERVICE FUND	STUDENT ACTIVITIES FUND	2015 DEBT REFUNDING RETIREMENT FUND	2016 DEBT RETIREMENT FUND	2017 DEBT RETIREMENT FUND	2024 DEBT RETIREMENT FUND	2024 CAPITAL PROJECTS FUND	2026 CAPITAL PROJECTS FUND	CAPITAL IMPROVEMENT FUND	OTHER NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
OTHER FINANCING SOURCES (USES)												
Bonds Issued	0	0	0	0	0	0	0	0	15,810,000	0	0	15,810,000
Premium on Bonds Issued	0	0	0	0	0	0	0	0	507,514	0	0	507,514
Transfer In (Out)	50,000	0	0	0	0	0	0	0	0	0	(50,000)	0
Total Other Financing Sources (Uses)	50,000	0	0	0	0	0	0	0	16,317,514	0	(50,000)	16,317,514
Net Change in Fund Balance	341,784	0	0	0	0	0	0	(4,267,391)	14,033,491	0	65,265	10,173,149
FUND BALANCE - Beginning of Year, as Previously Presented	3,829,881	866,786	148,949	295,453	167,779	161,343	194,512	4,438,172	0	9,440	0	10,112,315
Adjustments to Beginning Fund Balance	0	(866,786)	(148,949)	(295,453)	(167,779)	(161,343)	(194,512)	0	0	(9,440)	1,844,262	0
Beginning of Year, as Restated	3,829,881	0	0	0	0	0	0	4,438,172	0	0	1,844,262	10,112,315
FUND BALANCE - End of Year	$ 4,171,665	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 170,781	$ 14,033,491	$ 0	$ 1,909,527	$ 20,285,464

The notes to the financial statements are an integral part of this statement.

NEWAYGO PUBLIC SCHOOLS
NEWAYGO, MICHIGAN

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2026

Net Change in Fund Balances - Total Governmental Funds	$ 10,173,149
Amounts reported for governmental activities are different because:	
Governmental funds report capital outlay as expenditures. In the Statement of Activities, these costs are allocated over their estimated useful lives as depreciation.	
Capital Outlay	6,659,676
Depreciation Expense	(1,449,101)
Accrued interest on bonds is recorded in the Statement of Activities when incurred; it is not recorded in governmental funds until it is paid:	
Accrued Interest Payable - Beginning of Year	161,000
Accrued Interest Payable - End of Year	(200,384)
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities, however, which is presented on the accrual basis of accounting, expenses, and liabilities are reported regardless of when financial resources are available.	
Issuance of Debt	(15,810,000)
Bond Premium	(507,514)
Repayment of Bond Principal	1,690,000
Amortization of Deferred Charges	(30,175)
Amortization of Bond Premiums	180,349
Compensated Absences is reported on the accrual method in the Statement of Activities, and recorded as expenditures when financial resources are used in the governmental funds:	
Compensated Absences - Beginning of Year	798,637
Compensated Absences - End of Year	(805,139)
Governmental funds report district pension and OPEB contributions as expenditures. However, in the Statement of Activities, the cost of benefits earned net of employee contributions is reported as expenses:	
Change in Pension Related Items	3,007,146
Change in Other Postemployment Benefits	2,081,112
Restricted revenue reported in the governmental funds that is deferred to offset the deferred outflows related to Section 147c pension contributions subsequent to the measurement date:	
Change in State Aid Funding for Pension	(470,364)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 5,478,392

The notes to the financial statements are an integral part of this statement.

NEWAYGO PUBLIC SCHOOLS
NEWAYGO, MICHIGAN

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS

JUNE 30, 2026

	CUSTODIAL FUNDS
ASSETS	
Cash and Cash Equivalents	$ 281,961
Accounts Receivable	960
Prepaid Expenditures	2,755
TOTAL ASSETS	285,676
LIABILITIES	0
NET POSITION	
Restricted for Scholarships	142,799
Restricted for Student Organizations	142,877
TOTAL NET POSITION	$ 285,676

The notes to the financial statements are an integral part of this statement.

NEWAYGO PUBLIC SCHOOLS
NEWAYGO, MICHIGAN

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS

YEAR ENDED JUNE 30, 2026

	CUSTODIAL FUNDS
ADDITIONS	
Earnings on Investments and Deposits	$ 3,382
Donations	24,401
Other Income	199,792
Total Additions	227,575
DEDUCTIONS	
Scholarships Awarded	7,300
Payments Made on Behalf of Student Organizations	182,923
Total Deductions	190,223
Change in Net Position	37,352
NET POSITION - Beginning of Year	248,324
NET POSITION - End of Year	$ 285,676

The notes to the financial statements are an integral part of this statement.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The School District ("the District") is located in Newaygo County with its administrative offices located in Newaygo, Michigan. The District operates under an elected 7-member board of education and provides services to its students (blended count) in elementary, middle school, high school, special education instruction, guidance, health, transportation, food service, athletics and recreation. The District receives funding from local, state, and federal government sources and must comply with all of the requirements of these funding source entities. However, the District is not included in any other governmental reporting entity as defined by generally accepted accounting principles. Board members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations, and the primary accountability for fiscal matters.

B. Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report the information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable. The District does not have any business-type activities or component units.

C. Basis of Presentation – Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from the governmental funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

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

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the government's funds, including its fiduciary funds. Separate statements for each fund category – governmental and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

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

The *2024 Capital Projects Fund* accounts for the acquisition of capital assets or construction of major capital projects related to the 2024 bond issue.

The *2026 Capital Projects Fund* accounts for the acquisition of capital assets or construction of major capital projects related to the 2026 bond issue.

Other non-major funds:

The *Special Revenue Funds* account for proceeds from specific revenue sources that are restricted or committed to expenditures for specific purposes. The District accounts for its food service and student activities in the special revenue funds.

The *2015, 2016, 2017 and 2024 Debt Service Funds* account for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The *Capital Projects Fund* accounts for the acquisition of capital assets or construction of major capital projects in the Capital Improvement Fund.

Additionally, the District reports Fiduciary Funds. Fiduciary funds account for assets held by the District in a trustee capacity or as an agent on behalf of others. Fiduciary funds are not included in the government-wide statements.

The *Custodial Fund* consists of assets for the benefit of individuals and the District does not have administrative involvement with the assets or direct financial involvement with the assets. In addition, the assets are not derived from the District's provision of goods or services to those individuals. This fund is used to account for assets that the District holds for others in an agency capacity (primarily student activities).

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

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

E. Measurement Focus and Basis of Accounting

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

The fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, except for the recognition of certain liabilities to the beneficiaries of a fiduciary activity. Liabilities to beneficiaries are recognized when an event has occurred that compels the District to disburse fiduciary resources.

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

1. Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. The District considers all highly liquid investments (including certificates of deposit) to be cash equivalents.

2. Investments

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

a. Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.

b. Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a bank which is a member of the Federal Deposit Insurance Corporation (FDIC) or a savings and loan association which is a member of the Federal Savings and Loan Insurance Corporation (FSLIC) or a credit union which is insured by the National Credit Union Administration (NCUA), but only if the bank, savings and loan association, or credit union is eligible to be a depository of surplus funds belonging to the State under section 5 or 6 of Act No. 105 of the Public Acts of 1855, as amended, being Section 21.145 and 21.146 of the Michigan Compiled Laws.

c. Commercial paper rated at the time of purchase within the three (3) highest classifications established by not less than two (2) standard rating services and which matures not more than 270 days after the date of purchase.

d. The United States government or federal agency obligations repurchase agreements.

e. Bankers acceptances of United States banks.

f. Mutual funds composed of investment vehicles, which are legal for direct investment by local units of government in Michigan.

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

3. Inventory and Prepaid Items

Inventory is valued at cost using the first-in/first-out method. Inventory consists of expendable supplies held for consumption, which are recorded as expenditures when consumed rather than when purchased.

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

4. Capital Assets

Capital assets purchased or acquired are capitalized at historical cost or estimated historical cost. Donated capital assets are valued at their acquisition value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets. Land and construction in progress, if any, are not depreciated.

Depreciation on all assets is provided on the straight-line basis over the estimated useful lives as follows:

Buildings and Improvements	10-50 years
Buses and Other Vehicles	8 years
Furniture and Equipment	5-20 years

The District's capitalization policy is to capitalize individual amounts exceeding $5,000.

5. Unearned Revenue

Unearned revenue arises when resources are received by the District before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, revenue is recognized. The District has $1,155,797 of unearned revenue in the General Fund, related to at-risk funds and other unspent grant proceeds, and in the Food Service Fund, related to student balances.

6. Long-Term Obligations

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

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

7. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources

(expense/expenditure) until then. The District has two items that qualify for reporting in this category. They are the pension and other postemployment benefits related items reported in the government-wide *Statement of Net Position*. A deferred charge on refunding results from the difference in the carrying value of refunded obligation and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding obligation. A deferred outflow is recognized for pension and other postemployment benefit related items. These amounts are expenses in the plan year in which they apply. Details can be found in footnotes 3.E. and 3.F.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. The separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two items that qualify for reporting in this category. They are future resources yet to be recognized in relation to the pension and other postemployment benefit actuarial calculation. These future resources arise from differences in the estimates used by the actuary to calculate the pension and other postemployment benefit liability and the actual results. Details can be found in footnote 3.E. and 3.F.

8. Defined Benefit Plans

For purposes of measuring the net pension and other postemployment liabilities/assets, deferred outflows of resources and deferred inflows of resources related to pensions, and other postemployment benefits, and pension and other postemployment benefits expense, information about the fiduciary net position of the Michigan Public School Employees' Retirement System (MPSERS) and additions to/deductions from MPSERS fiduciary net position have been determined on the same basis as they are reported by MPSERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

9. Net Position Flow Assumption

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

10. Fund Balance Flow Assumption

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

11. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

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

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

12. Restricted Assets

Certain resources of the 2024 and 2026 Capital Projects Funds are set aside for capital outlay are classified as restricted cash and cash equivalents on the balance sheet because their use is limited by applicable bond covenants.

G. Revenues and Expenditures/Expenses

1. State Revenue

The State of Michigan utilizes a foundation grant approach which provides for a specific annual amount of revenue per pupil based on a statewide formula. The Foundation is funded from state and local sources. Revenues from state sources are primarily governed by the School Aid Act and the School Code of Michigan. The Michigan Department of Education administers the allocation of state funds to school districts based on information supplied by the districts. For the year ended June 30, 2026, the foundation allowance was based on pupil membership counts taken in October 2025 and February 2025. For fiscal year ended June 30, 2026, the per pupil foundation allowance was $10,050 for Newaygo Public Schools.

The state portion of the foundation is provided primarily by a state education property tax millage of 6 mills and an allocated portion of state sales and other taxes. The local portion of the foundation is funded primarily by non-homestead property taxes, which may be levied at a rate of up to 18 mills. The State revenue is recognized during the foundation period and is funded through payments from October 2025 to August 2026. Thus, the unpaid portion at June 30th is reported as due from other governmental units.

The District also receives revenue from the state to administer certain categorical education programs. State rules require that revenue earmarked for these programs be used for its specific purpose. Certain governmental funds require an accounting to the state of the expenditures incurred. For categorical funds meeting this requirement, funds received, 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.

2. Program Revenues

Amounts reported as program revenue include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, state foundation aid, certain revenue from the intermediate school district and other unrestricted items are not included as program revenue but instead as *general revenues*.

3. Property Taxes

Property taxes levied by the District are collected by various municipalities and periodically submitted to the District. Properties are assessed as of January 1. The District has elected to have a portion of the taxes billed and due July 1st, and the remaining portion billed and due December 1st. The summer levy becomes delinquent as of September 14th, and the winter levy becomes delinquent as of February 14th for taxpayers. After these dates, unpaid taxes are subject to penalties and interest.

For the year ended June 30, 2026, the District levied the following amounts per $1,000 of taxable valuation:

Fund	Mills
General Fund - Non-Principal Residence Exemption (PRE)	17.6291
General Fund - Commercial Personal Property	6.0000
2015 Issue Debt Service Fund - PRE and Non-PRE	1.3500
2016 Issue Debt Service Fund - PRE and Non-PRE	1.1000
2017 Issue Debt Service Fund - PRE and Non-PRE	1.0500
2024 Issue Debt Service Fund - PRE and Non -PRE	1.0000

4. Compensated Absences

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

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Violations of Legal or Contractual Provisions

The following describes a budgetary violation that occurred for the year ended June 30, 2026:

Excess of Expenditures Over Appropriations:

	APPROPRIATIONS	EXPENDITURES
General Fund		
Instruction		
Basic Programs	$ 11,354,393	$ 11,419,989
Supporting Services		
Pupil Transportation Services	1,411,930	1,469,889
Other Support Services	537,218	568,321
Community Service		
Community Activities	0	4,000

These overages were covered by available fund balance.

NOTE 3 – DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Deposits

As of June 30, 2026 the District had deposits subject to the following risks:

Custodial credit risk – deposits. In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. As of June 30, 2026, the District's bank balance was $23,928,007, of which $1,157,756 was exposed to custodial credit risk because it was uninsured and uncollateralized. As of June 30, 2026, deposits of $22,545,538 are reported on the financial statements as cash and cash equivalents or restricted cash and cash equivalents as follows:

	Primary Government	Fiduciary Funds	Reporting Entity
Cash & Cash Equivalents	$ 5,270,541	$ 281,961	$ 5,552,502
Restricted Cash & Cash Equivalents	16,993,036	0	16,993,036
Total	$ 22,263,577	$ 281,961	$ 22,545,538

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

Credit risk. State law limits investments in commercial paper and corporate bonds to a prime or better rating issued by nationally recognized statistical rating organizations (NRSOs). Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality.

Concentration of credit risk. The District will minimize concentration of credit risk, which is the risk of loss attributed to the magnitude of the District's investment in a single issuer, by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized.

Foreign currency risk. The District is not authorized to invest in investments which have this type of risk; therefore, it is not addressed in the investment policy.

B. Receivables

Receivables as of year-end for the government's individual major funds and nonmajor funds are as follows:

	General Fund	Nonmajor Funds	Total
Receivables			
Accounts Receivable	$ 44,497	$ 0	$ 44,497
Due from Other Governments	3,408,626	175,370	3,583,996
Total Receivables	$ 3,453,123	$ 175,370	$ 3,628,493

Amounts due from other governments include amounts due from federal, state, and local sources for various projects and programs. Because of the District's favorable collection experience, no allowance for doubtful accounts has been recorded.

C. Capital Assets

Capital assets activity for the year ended June 30, 2026, was as follows:

	Balance July 1, 2025	Additions	Deletions	Balance June 30, 2026
Capital Assets Not Being Depreciated:				
Land	$ 514,975	$ 0	$ 0	$ 514,975
Construction in Progress	1,912,346	6,031,716	0	7,944,062
Subtotal	2,427,321	6,031,716	0	8,459,037
Capital Assets Being Depreciated:				
Buildings and Improvements	52,281,057	31,023	0	52,312,080
Buses and Other Vehicles	2,598,184	218,145	109,480	2,706,849
Furniture and Equipment	2,829,159	378,792	0	3,207,951
Subtotal	57,708,400	627,960	109,480	58,226,880

	Balance July 1, 2025	Additions	Deletions	Balance June 30, 2026
Less Accumulated Depreciation for:				
Buildings and Improvements	17,094,733	1,135,174	0	18,229,907
Buses and Other Vehicles	1,741,693	190,585	109,480	1,822,798
Furniture and Equipment	1,864,910	123,342	0	1,988,252
Total Accumulated Depreciation	20,701,336	1,449,101	109,480	22,040,957
Net Capital Assets Being Depreciated	37,007,064	(821,141)	0	36,185,923
Net Capital Assets	$ 39,434,385	$ 5,210,575	$ 0	$ 44,644,960

Depreciation for the fiscal year ended June 30, 2026, amounted to $1,449,101. The District determined that it was impractical to allocate depreciation to the various governmental activities as the assets serve multiple functions.

D. Pension and Other Postemployment Benefits

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

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

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

Benefits Provided- Overall

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

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

Benefits Provided – Pension

Benefit provisions of the defined benefit pension plan are established by State statute, which may be amended. Public Act 300 of 1980, as amended, establishes eligibility and benefit provisions for the defined benefit (DB) pension plan. Retirement benefits for DB plan members are determined by final average compensation and years of service. DB members are eligible to receive a monthly benefit when they meet certain age and service requirements. The System also provides disability and survivor benefits to DB plan members.

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

Pension Reform 2010

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

Pension Reform 2012

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

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

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

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

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

Option 2 - Members voluntarily elected to increase their contribution to the pension fund as stated in Option 1 and retain the 1.5% pension factor in their pension formula. The increased contribution would begin as of their transition date and continue until they reach 30 years of service. If and when they reach 30 years of service, their contribution rates will return to the previous level in place as of the day before their transition date (0% for Basic

plan members, 3.9% for MIP-Fixed, up to 4.3% for MIP-Graded, or up to 6.4% for MIP-Plus). The pension formula for any service thereafter would include a 1.25% pension factor.

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

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

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

Employees who first work on or after September 4, 2012, and before February 1, 2018 choose between two retirement plans: the Pension Plus Plan and a Defined Contribution Plan that provides a 50% employer match (up to 3% of salary) on employee contributions.

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

Pension Reform of 2017

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

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

Pension Reform of 2023

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

Benefits Provided – Other Postemployment Benefit (OPEB)

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

Retiree Healthcare Reform of 2012

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

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

Regular Retirement (no reduction factor for age)

Eligibility - A Basic plan member may retire at age 55 with 30 years credited service; or age 60 with 10 years credited service. For Member Investment Plan (MIP) members, age 46 with 30 years credited service; or age 60 with 10 years credited service; or age 60 with 5 school fiscal years immediately preceding the retirement effective date of credited service provided member worked through their 60th birthday and has credited service in each of the last 5 years. For Pension Plus Plan (PPP) members, age 60 with 10 years of credited service.

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

Member Contributions

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

Employer Contributions

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

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

Pension and OPEB contributions made in the fiscal year ending September 30, 2025 were determined as of the September 30, 2022 actuarial valuations. The pension and OPEB benefits, the unfunded (overfunded) actuarial accrued liabilities (UAAL) as of September 30, 2022 are amortized over a 14-year period beginning October 1, 2024 and ending September 30, 2038.

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

	Pension	Other Postemployment Benefits
October 1, 2025 - September 30, 2026	15.21% - 26.08%	0.00% - 3.83%
October 1, 2024 - September 30, 2025	20.96% - 30.11%	0.00% - 1.25%

The District's pension contributions for the year ended June 30, 2026 were equal to the required contribution total. Total pension contributions were approximately $4,237,400. Of the total pension contributions approximately $4,145,200 was contributed to fund the Defined Benefit Plan and approximately $92,200 was contributed to fund the Defined Contribution Plan.

The District's OPEB contributions for the year ended June 30, 2026 were equal to the required contribution total. Total OPEB contributions were approximately $318,400. Of the total OPEB contributions approximately $234,800 was contributed to fund the Defined Benefit Plan and approximately $83,600 was contributed to fund the Defined Contribution Plan.

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

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

Pension Liabilities

At June 30, 2026, the District reported a liability of $20,001,932 for its proportionate share of the net pension liability. The net pension liability was measured as of September 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation date of September 30, 2024 and rolled-forward using generally accepted actuarial procedures. The District's proportion of the net pension liability was based on a projection of its long-term share of contributions to the pension plan relative to the projected contributions of all participating reporting units, actuarially determined. At September 30, 2025, and 2024, the District's proportion was 0.09984497% and 0.09980635%.

MPSERS (Plan) Non-University Employers Net Pension Liability

	September 30, 2025	September 30, 2024
Total Pension Liability	$ 97,436,103,863	$ 95,765,499,515
Plan Fiduciary Net Position	(77,403,114,236)	(71,283,482,728)
Net Pension Liability	$ 20,032,989,627	$ 24,482,016,787
Fiduciary Net Position as a Percentage of Total Pension Liability	79.44%	74.44%
Net Pension Liability as a Percentage of Covered Payroll	181.01%	227.56%

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

For the year ended June 30, 2026, the District recognized total pension expense of $1,301,896.

At June 30, 2026, 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	$ 774,732	$ 178,156
Section 147c revenue related to District Pension contributions subsequent to measurement date	0	1,586,341
Changes of assumptions	717,927	1,057,150
Net difference between projected and actual pension plan investment earnings	0	4,780,034
Changes in proportion and differences between District contributions and proportionate share of contributions	883,919	68,785
District contributions subsequent to the measurement date	3,756,444	0
Total	$ 6,133,022	$ 7,670,466

$3,756,444 reported as deferred outflows of resources and $1,586,341 reported as deferred inflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year.

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

Year Ended September 30,	Amount
2027	$ 55,233
2028	(1,806,614)
2029	(1,470,924)
2030	(485,242)
	$ (3,707,547)

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

OPEB Liabilities (Assets)

At June 30, 2026, the District reported an asset of $6,183,592 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of September 30, 2025, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation date of September 30, 2024 and rolled-forward using generally accepted actuarial procedures. The District's proportion of the net OPEB liability was based on a projection of its long-term share of contributions to the OPEB plan relative to the projected contributions of all participating reporting units,

actuarially determined. At September 30, 2025 and 2024, the District's proportion was 0.10171857% and 0.10157820%.

MPSERS (Plan) Non-University Employers Net OPEB Liability (Asset)

	September 30, 2025	September 30, 2024
Total OPEB Liability	$ 9,360,649,860	$ 9,991,545,923
Plan Fiduciary Net Position	(15,439,767,833)	(14,295,943,589)
Net OPEB Liability (Asset)	$ (6,079,117,973)	$ (4,304,397,666)
Fiduciary Net Position as a Percentage of Total OPEB Liability	164.94%	143.08%
Net OPEB Liability (Asset) as a Percentage of Covered Payroll	-54.93%	-40.01%

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

For the year ended June 30, 2026, the District recognized total OPEB benefit of $1,937,527.

At June 30, 2026, 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	$ 0	$ 4,233,580
Changes of assumptions	825,267	65,582
Net difference between projected and actual OPEB plan investment earnings	0	868,930
Changes in proportion and differences between District contributions and proportionate share of contributions	255,517	99,348
District contributions subsequent to the measurement date	239,019	0
Total	$ 1,319,803	$ 5,267,440

$239,019 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the subsequent fiscal year.

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

Year Ended September 30,	Amount
2027	$ (1,107,794)
2028	(1,117,849)
2029	(1,008,252)
2030	(645,355)
2031	(233,270)
Thereafter	(74,136)
	$ (4,186,656)

G. Actuarial Assumptions

Investment rate of return for Pension – 6.00% a year, compounded annually net of investment and administrative expenses for the MIP, Basic, and Pension Plus, and Pension Plus 2 plan groups.

Investment rate of return for OPEB – 6.00% a year, compounded annually net of investment and administrative expenses.

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

Inflation – 3.0%

Mortality assumptions –

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

Active: PubT-2010 Male and Female Employee Mortality Tables scaled 100% and adjusted for mortality improvements using projection scale MP-2021 from 2010.

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

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

The long-term expected rate of return on pension and other postemployment benefit plan investments - The pension rate was 6.00% (MIP, Basic, Pension Plus Plan, and Pension Plus 2 Plan) and the other postemployment benefit rate was 6.00%, net of investment and administrative expenses was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension and OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce

the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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

Healthcare cost trend rate for other postemployment benefit – Pre 65, 7.25% for year one and graded to 3.5% in year fifteen. Post 65, 6.50% for year one and graded to 3.5% in year fifteen.

Additional assumptions for other postemployment benefit only – Applies to individuals hired before September 4, 2012:

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

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

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

The target asset allocation at September 30, 2025 and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

	Target Allocation		
Investment Category	Pension	OPEB	Long-Term Expected Real Rate of Return *
Domestic Equity Pools	21.0%	16.0%	5.8%
Private Equity Pools	14.0%	11.0%	5.6%
International Equity Pools	16.0%	16.0%	9.3%
Fixed Income Pools	8.0%	5.0%	7.0%
Real Estate & Infrastructure Pools	15.0%	26.0%	2.5%
Absolute Return Pools	13.0%	15.0%	4.4%
Real Return/Opportunistic Pools	9.0%	7.0%	7.0%
Short-Term Investment Pools	4.0%	4.0%	1.3%
	100%	100%	

*Long-term rate of return are net of administrative expenses and 2.4% inflation.

Rate of return

For fiscal year ended September 30, 2025, the annual money-weighted rate of return on pension and OPEB plan investments, net of pension and OPEB plan investment expense, was 9.81% and 9.24% respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Pension Discount Rate

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

OPEB Discount Rate

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

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

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

Pension		
1% Decrease	Discount Rate	1% Increase
$ 31,564,153	$ 20,001,932	$ 10,372,083

Sensitivity of the District's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate

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

OPEB		
1% Decrease	Discount Rate	1% Increase
$ (5,327,556)	$ (6,183,592)	$ (6,932,809)

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

The following presents the Districts's proportionate share of the net other postemployment benefit liability (asset) calculated using the healthcare cost trend rate as well as what the District's proportionate share of the net other postemployment benefit liability (asset) would be if it were calculated using a healthcare cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

OPEB		
	Current Healthcare Cost	
1% Decrease	Trend Rates	1% Increase
$ (6,925,972)	$ (6,183,592)	$ (5,404,117)

H. Pension and OPEB Plan Fiduciary Net Position

Detailed information about the pension and OPEB plan's fiduciary net position is available in the separately issued Michigan Public School Employees Retirement System 2025 Annual Comprehensive Financial Report.

I. Payables to the Pension and OPEB Plan

As of June 30, 2026, the District is current on all required pension and OPEB plan payments. As of June 30, 2026, the District reported payables in the amount of $661,435 to the pension and OPEB plan. These amounts represent current payments for June wages paid in July, accruals for summer pay primarily for teachers and also the contributions due and funded from state revenue Section 147c restricted to fund the MPSERS Unfunded Actuarial Accrued Liability (UAAL).

J. Risk Management

The District is exposed to various risks of loss related to property loss, torts, errors and omissions, employee injuries (workers' compensation) as well as medical benefits provided to employees.

The District participates in a distinct pool of educational institutions within the State of Michigan for various risks of loss, including general liability, property and casualty, employee health and accident insurance, and workers' disability compensation. The pool is considered a public entity risk pool. The District pays annual premiums to each pool for the respective insurance coverage. In the event a pool's total claims and expenses for a policy year exceed the total normal annual premiums for said years, all members of the specific pool's policy year may be subject to special assessment to make up the deficiency. The District has not been informed of any special assessments being required.

K. Long-Term Obligations

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

The following is a summary of the governmental long-term obligation transactions for the District for the year ended June 30, 2026:

	GENERAL OBLIGATION BONDS	COMPENSATED ABSENCES*	TOTAL
Balance, July 1, 2025	$ 27,590,000	$ 798,637	$ 28,388,637
Additions	15,810,000	6,502	15,816,502
Deletions	1,690,000	0	1,690,000
Balance, June 30, 2026	41,710,000	805,139	42,515,139
Less current portion	1,405,000	429,684	1,834,684
Due in more than one year	$ 40,305,000	$ 375,455	$ 40,680,455

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

The District's debt obligations at June 30, 2026, are comprised of the following issues:

General Obligation Bonds	
$13,600,000 2016 School Building and Site Bonds due in annual installments of $850,000 to $855,000 through May 1, 2041; interest at 3%	$ 12,760,000
$9,360,000 2017 School Building and Site Bonds due in annual installments of $555,000 to $560,000 through May 1, 2041; interest at 3%	8,335,000
$5,860,000 2024 School Building and Site Bonds due in annual installments of $135,000 to $490,000 through May 1, 2044; interest at 5%	4,805,000
$15,810,000 2026 School Building and Site Bonds due in annual installments of $200,000 to $1,365,000 through May 1, 2051; interest at 4% to 5%	15,810,000
Compensated Absences	
Accrued Compensated Absences	805,139
Total Obligations	$ 42,515,139

The annual requirements to amortize all long-term obligations outstanding as of June 30, 2026, including interest payments of $20,343,815 are as follows:

Year Ending June 30,	General Obligation Bonds Principal	General Obligation Bonds Interest	Amounts Payable
2027	$ 1,405,000	$ 1,551,683	$ 2,956,683
2028	1,405,000	1,546,412	2,951,412
2029	1,605,000	1,504,262	3,109,262
2030	1,690,000	1,452,112	3,142,112
2031	1,790,000	1,395,712	3,185,712
2032-2036	9,965,000	5,984,148	15,949,148
2037-2041	11,795,000	3,982,222	15,777,222
2042-2046	5,730,000	2,084,462	7,814,462
2047-2051	6,325,000	842,802	7,167,802
	$ 41,710,000	$ 20,343,815	$ 62,053,815

Interest expense for the year ended June 30, 2026 was $1,005,384.

The annual requirements to amortize the compensated absences liability are uncertain because it is unknown when the repayments will be made.

Compensated absences liability will be paid by the fund in which the employee worked, including the general fund and other governmental funds.

L. Interfund Receivables and Payables

Individual fund interfund receivable and payable balances at June 30, 2026, were:

Receivable Fund	Payable Fund	Amount
General Fund	Student Activities	$ 66,747
General Fund	2024 Debt Retirement	39,619
General Fund	2024 Capital Projects	603,861
General Fund	2026 Capital Projects	822,545
Food Service	General Fund	367,817
2015 Debt Retirement	General Fund	14,858
2016 Debt Retirement	General Fund	42,786
2017 Debt Retirement	General Fund	41,094
2015 Debt Retirement	2024 Debt Retirement	14,251
2016 Debt Retirement	2024 Debt Retirement	11,612
2017 Debt Retirement	2024 Debt Retirement	11,084
		$ 2,036,274

All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. All interfund balances outstanding at June 30, 2026, are expected to be repaid within one year.

M. Interfund Transfers

Individual fund transfers at June 30, 2026, were:

Fund Transferred To	Funds Transferred From	Amount
General Fund	Food Service Fund	$ 50,000

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

N. Other Information

1. Commitments and Contingencies

Under the terms of various federal and state grants and regulatory requirements, periodic audits are required, and certain costs may be questioned as not being appropriate expenditures under the terms of the grants and requirements. Such audits could lead to reimbursement of the grantor or regulatory agencies. However, management does not believe such disallowances, if any, would be material to the financial position of the District.

Prior to June 30, 2026, the District has committed $9,931,259 for School Building improvements related to the bond project.

O. GASB Statement No. 77 - Tax Abatements

The District receives reduced property tax revenues as a result of Industrial Facilities Tax exemptions and Brownfield Redevelopment Agreements granted by the City of Newaygo within the District. Industrial Facilities 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.

For the fiscal year ended June 30, 2026, (tax year 2025) the District's property tax revenues were reduced by $194,820 under these programs.

The District is considered to be an “in-formula” district. The taxes abated for the General Fund operating millage are considered by the State of Michigan when determining the District’s section 22 funding of the State School Aid Act. The District received $164,200 from the State of Michigan’s determination.

There are no significant abatements made by the District.

P. 2024 Capital Projects Fund

The 2024 Capital Projects Fund includes capital project activities funded with bonds. For this capital project, the school district has complied with the applicable provisions of Section 1351a of the Revised School Code. The fund was considered substantially complete as of June 30, 2026.

Beginning with the year of bond issuance, the District has reported the annual construction activity in the 2024 Capital Projects Fund. The project for which the 2024 School Building and Site Bonds were issued was considered complete on June 30, 2026, and the cumulative expenditures recognized for the construction period were $6,425,668.

Q. 2026 Capital Projects Fund

The 2026 Capital Projects Fund includes capital project activities funded with bonds. For this capital project, the school district has complied with the applicable provisions of Section 1351a of the Revised School Code. The fund is not yet considered substantially complete, and a subsequent year audit is expected.

NOTE 4 – CHANGES IN ACCOUNTING PRINCIPLE

For the year ended June 30, 2026, the District implemented the following GASB standards:

GASB Statement No. 103, *Financial Reporting Model Improvements.* The Standard addressed the following areas:

a. Management's discussion and analysis (MD&A);

b. Unusual or infrequent items;

c. Presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position;

d. Information about major component units in basic financial statements should be presented separately in the statement of net position and statement of activities unless it reduces the readability of the statements in which case combining statements should be presented after the fund financial statements;

e. Budgetary comparison information should include variances between original and final budget amounts and variances between final budget and actual amounts with explanations of significant variances required to be presented in the notes to RSI.

NOTE 5 - ADJUSTMENTS TO BEGINNING FUND BALANCES/NET POSITION

During fiscal year 2026, changes to or within the financial reporting entity resulted in adjustments to beginning fund balance, as follows:

Reporting Units Affected by Adjustments to Beginning Balances

	Food Service Fund	Student Activities Fund	2015 Debt Refunding Retirement	2016 Debt Retirement Fund	2017 Debt Retirement Fund	2024 Debt Retirement Fund	Capital Improvement Fund	Other Nonmajor Governmental Funds
Fund Balance, as previously reported	$ 866,786	$ 148,949	$ 295,453	$ 167,779	$ 161,343	$ 194,512	$ 9,440	$ 0
Change from major to nonmajor fund	(866,786)	(148,949)	(295,453)	(167,779)	(161,343)	(194,512)	(9,440)	1,844,262
Fund balance, as restated	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 1,844,262

NOTE 6 – UPCOMING ACCOUNTING PRONOUCEMENTS

In December 2025, the GASB issued Statement No. 105, *Subsequent Events*. This Statement clarifies the subsequent events that constitute recognized and nonrecognized events and establishes specific note disclosure requirements for nonrecognized events. The District is currently evaluating the impact this standard will have on the financial statements when adopted during the 2026-2027 fiscal year.

NEWAYGO PUBLIC SCHOOLS
NEWAYGO, MICHIGAN

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
GENERAL FUND

YEAR ENDED JUNE 30, 2026

	GENERAL FUND				
	ORIGINAL BUDGET	FINAL BUDGET	VARIANCE WITH ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL AND ACTUAL BUDGET
REVENUES					
Local Sources	$ 4,467,385	$ 5,011,722	$ 544,337	$ 4,732,505	$ (279,217)
State Sources	16,610,425	16,880,595	270,170	16,055,989	(824,606)
Federal Sources	965,141	1,002,680	37,539	917,492	(85,188)
Other Transactions	152,683	489,062	336,379	400,846	(88,216)
Total Revenues	22,195,634	23,384,059	1,188,425	22,106,832	(1,277,227)
EXPENDITURES					
Instruction					
Basic Programs	10,795,549	11,354,393	558,844	11,419,989	65,596
Added Needs	3,816,687	3,692,783	(123,904)	2,805,440	(887,343)
Supporting Services					
Pupil	523,225	565,863	42,638	460,125	(105,738)
Instructional Staff	115,000	357,781	242,781	308,535	(49,246)
General Administration	396,286	491,391	95,105	447,228	(44,163)
School Administration	1,662,804	1,645,376	(17,428)	1,563,045	(82,331)
Business	468,845	497,003	28,158	468,922	(28,081)
Operation and Maintenance of Plant	1,851,234	1,753,447	(97,787)	1,612,063	(141,384)
Pupil Transportation Services	1,246,785	1,411,930	165,145	1,469,889	57,959
Central Support Services	496,513	895,959	399,446	604,186	(291,773)
Other Support Services	489,505	537,218	47,713	568,321	31,103
Community Services					
Community Activities	0	0	0	4,000	4,000
Custody and Care of Children	132,527	93,235	(39,292)	78,308	(14,927)
Payments to Other Governmental Agencies					
Payments to Other Public Schools	3,547	0	(3,547)	0	0
Facilities Acquisition, Construction and Improvements	128,276	5,000	(123,276)	4,997	(3)
Total Expenditures	22,126,783	23,301,379	1,174,596	21,815,048	(1,486,331)
Excess (Deficiency) of Revenues Over Expenditures	68,851	82,680	13,829	291,784	209,104
OTHER FINANCING SOURCES (USES)					
Transfer In (Out)	50,000	50,000	0	50,000	0
Net Change in Fund Balance	118,851	132,680	13,829	341,784	209,104
FUND BALANCE - Beginning of Year	3,263,304	3,829,881	566,577	3,829,881	0
FUND BALANCE - End of Year	$ 3,382,155	$ 3,962,561	$ 580,406	$ 4,171,665	$ 209,104

NEWAYGO PUBLIC SCHOOLS
NEWAYGO, MICHIGAN

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM
LAST 10 FISCAL YEARS (AMOUNTS WERE DETERMINED AS OF 9/30 OF EACH PLAN YEAR)
JUNE 30, 2026

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's proportion of net pension liability (%)	0.09984497%	0.09980635%	0.09461844%	0.09484836%	0.09504224%	0.09393934%	0.09492292%	0.09571503%	0.09542310%	0.09437970%
District's proportionate share of net pension liability	$ 20,001,932	$ 24,434,607	$ 30,624,267	$ 35,671,253	$ 22,501,642	$ 32,269,185	$ 31,435,280	$ 28,773,666	$ 24,728,171	$ 23,546,963
District's covered payroll	10,744,071	10,715,105	9,460,642	8,884,183	8,610,619	8,231,257	8,176,233	8,160,178	7,917,217	8,085,003
District's proportionate share of net pension liability as a percentage of its covered payroll	186.17%	228.04%	323.70%	401.51%	261.32%	392.03%	384.47%	352.61%	312.33%	291.24%
Plan fiduciary net position as a percentage of total pension liability	79.44%	74.44%	65.91%	60.77%	72.60%	59.72%	60.31%	62.36%	64.21%	63.27%

NEWAYGO PUBLIC SCHOOLS
NEWAYGO, MICHIGAN

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION CONTRIBUTIONS
MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM
LAST 10 FISCAL YEARS (AMOUNTS WERE DETERMINED AS OF 6/30 OF EACH FISCAL YEAR)
JUNE 30, 2026

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Statutorily required contributions	$ 4,145,193	$ 4,030,455	$ 4,127,531	$ 4,345,060	$ 2,853,759	$ 2,581,575	$ 2,598,287	$ 2,520,495	$ 2,238,177	$ 2,239,708
Contributions in relation to statutorily required contributions	4,145,193	4,030,455	4,127,531	4,345,060	2,853,759	2,581,575	2,598,287	2,520,495	2,238,177	2,239,708
Contribution deficiency (excess)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Covered payroll	$ 10,529,747	$ 10,794,592	$ 10,566,269	$ 9,491,752	$ 8,820,313	$ 8,456,003	$ 8,328,635	$ 8,155,504	$ 8,162,424	$ 7,937,427
Contributions as a percentage of covered payroll	39.37%	37.34%	39.06%	45.78%	32.35%	30.53%	31.20%	30.91%	27.42%	28.22%

NEWAYGO PUBLIC SCHOOLS
NEWAYGO, MICHIGAN

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OTHER POSTEMPLOYMENT BENEFIT LIABILITY/ASSET
MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM
LAST 10 FISCAL YEARS (AMOUNTS WERE DETERMINED AS OF 9/30 OF EACH PLAN YEAR)
JUNE 30, 2026

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
District's proportion of net OPEB liability (%)		0.10171857%	0.10157820%	0.09477187%	0.09132744%	0.09535668%	0.09295252%	0.09356974%	0.09588165%	0.09524150%
District's proportionate share of net OPEB liability (asset)		$ (6,183,592)	$ (4,372,330)	$ (536,123)	$ 1,934,372	$ 1,455,503	$ 4,979,715	$ 6,716,200	$ 7,621,586	$ 8,434,087
District's covered payroll		10,744,071	10,715,105	9,460,642	8,884,183	8,610,619	8,231,257	8,176,233	8,160,178	7,917,217
District's proportionate share of net OPEB liability as a percentage of its covered payroll		-57.55%	-40.81%	-5.67%	21.77%	16.90%	60.50%	82.14%	93.40%	106.53%
Plan fiduciary net position as a percentage of total OPEB liability		164.94%	143.08%	105.04%	83.09%	87.33%	59.44%	48.46%	42.95%	36.39%

NEWAYGO PUBLIC SCHOOLS
NEWAYGO, MICHIGAN

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF OTHER POSTEMPLOYMENT BENEFIT CONTRIBUTIONS
MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM
LAST 10 FISCAL YEARS (AMOUNTS WERE DETERMINED AS OF 6/30 OF EACH FISCAL YEAR)
JUNE 30, 2026

	2027	2026	2025	2024	2023	2022	2021	2020	2019	2018
Statutorily required contributions		$ 234,849	$ 238,715	$ 800,279	$ 726,668	$ 707,875	$ 656,733	$ 648,440	$ 623,913	$ 741,495
Contributions in relation to statutorily required contributions		$ 234,849	$ 238,715	800,279	726,668	707,875	656,733	648,440	623,913	741,495
Contribution deficiency (excess)		$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Covered payroll		$ 10,529,747	$ 10,794,592	$ 10,566,269	$ 9,491,752	$ 8,820,313	$ 8,456,003	$ 8,328,635	$ 8,155,504	$ 8,162,424
Contributions as a percentage of covered payroll		2.23%	2.21%	7.57%	7.66%	8.03%	7.77%	7.79%	7.65%	9.08%

NOTE 1 – BUDGETARY BASIS OF ACCOUNTING

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund and special revenue funds. Other funds do not have appropriated budgets.

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

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

a. The Superintendent submits to the School Board a proposed operating budget for the fiscal year commencing on July 1. The operating budget includes proposed expenditures and the means of financing them. The level of control for the budgets is at the functional level as set forth and presented as required supplementary information.

b. Public hearings are conducted to obtain taxpayer comments.

c. Prior to July 1, the budget is legally adopted by School Board resolution pursuant to the Uniform Budgeting and Accounting Act (1968 PA 2). The Act requires that the budget be amended prior to the end of the fiscal year when necessary to adjust appropriations if it appears that revenues and other financing sources will be less than anticipated or so that expenditures will not be in excess of original estimates. Expenditures shall not be made or incurred, unless authorized in the budget, in excess of the amount appropriated. Violations, if any, in the general fund are noted in the required supplementary information section.

d. Transfers may be made for budgeted amounts between major expenditure functions within any fund; however, these transfers and any revisions that alter the total expenditures of any fund must be approved by the School Board.

e. The final budget was approved prior to June 30, 2026 year-end.

NOTE 2 – BUDGETARY COMPARISON

Significant variances between original and final budget:

	Variance	Explanation
GENERAL FUND		
REVENUES		
Local Sources	$ 544,337	The increase was primarily attributable to an increase in anticipated property tax revenues from higher taxable values, as well as higher-than-anticipated miscellaneous local revenues.
State Sources	270,170	The original budget was based on estimated student enrollment and projected State funding amounts available at that time. The final budget was subsequently increased to reflect updated State Aid projections, including additional Enrollment Stabilization funding related to declining enrollment.
Other Transactions	336,379	The increase was primarily attributable to additional funding from NC RESA for the MTSS Coordinator position and from MARESA for the Apprentice Teacher position at NES.
EXPENDITURES		
Instruction - Basic Programs	558,844	The original budget incorporated anticipated instructional savings based on prior-year experience; however, the specific positions that would be replaced or remain vacant were not known until the summer. As staffing decisions were finalized, the budget was amended to reflect actual staffing needs, resulting in an increase in basic program expenditures.
Supporting Services - Instructional Staff	242,781	The increase was primarily attributable to the addition of the MTSS Coordinator position and related personnel costs to the final amended budget.
Supporting Services - Pupil Transportation Services	165,145	The increase was primarily attributable to expenditures associated with Section 22l Transportation Grant funding, which was not included in the original budget and was subsequently incorporated into the final amended budget.
Supporting Services - Central Support Services	399,446	The increase was primarily attributable to the addition of the E-Rate project, which was incorporated into the budget after the original budget was adopted, as well as other expenditures that were not fully recognized at the time the original budget was prepared.

Significant variances between final budget and actual:

	Variance	Explanation
GENERAL FUND		
REVENUES		
Local Sources	$ (279,217)	The final budget reflected higher anticipated local revenues based on information and projections available at the time of the final budget amendment. Actual collections were lower than projected, resulting in the unfavorable variance.
State Sources	(824,606)	The final budget included approximately $632,000 of additional anticipated State funding based on taxable value information available at the time of the budget amendment. It was subsequently determined that incorrect taxable value information had been reported for the City of Newaygo, which resulted in an overstatement of the District's anticipated State funding. Once the taxable value information was corrected, the related State funding was determined not to be due to the District, contributing significantly to the variance between final budget and actual revenues.
EXPENDITURES		
Instruction - Added Needs	(887,343)	The variance was primarily attributable to lower-than-anticipated Title and At Risk program expenditures. Title grant expenditures were lower because a staff member previously funded through the Title program transitioned to a classroom/specials teaching position. In addition, At Risk expenditures were lower than anticipated as the District transitioned from the use of ESSER funding available in prior years, resulting in changes to the level and timing of program expenditures.
Supporting Services - Operation and Maintenance of Plant	(141,384)	The variance was primarily attributable to lower-than-anticipated repair and maintenance costs as a result of improvements completed through the District's bond program. In addition, the grounds position was transitioned back in-house and remained vacant for a significant portion of the fiscal year, resulting in lower personnel costs than budgeted.
Supporting Services - Central Support Services	(291,773)	The final budget included costs associated with an additional technology support position; however, the position remained unfilled during the fiscal year, resulting in lower-than-budgeted salaries and related benefit expenditures.

Excess of Expenditures Over Appropriations

	APPROPRIATIONS	EXPENDITURES
General Fund		
Instruction		
Basic Programs	$ 11,354,393	$ 11,419,989
Supporting Services		
Pupil Transportation Services	1,411,930	1,469,889
Other Support Services	537,218	568,321
Community Service		
Community Activities	0	4,000

These overages were covered by available fund balance.

NOTE 3 – PENSION INFORMATION

Changes of Benefit Terms - There were no changes of benefit terms for the plan year ended September 30.

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

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

OPEB Information

Changes of Benefit Terms - There were no changes of benefit terms for the plan year ended September 30.

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

- 2025 - The health care cost trend rate used in the September 30, 2024, actuarial valuation increased by 0.50 percentage points for members under 65. This increased the plan's total OPEB liability by $267 million in 2025.

- 2024 - The health care cost trend rate used in the September 30, 2023 actuarial valuation decreased by 0.25 percentage points for members under 65 and increased by 0.25 percentage point for members over 65.

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

- 2022 - The discount rate and investment rate of return used in the September 30, 2021 actuarial valuation decreased by 0.95 percentage points. This resulted in lower than projected per person health benefit costs to reduce the plan's total OPEB liability by an additional $1.1 billion in 2022.

- 2021 - The health care cost trend rate used in the September 30, 2020 actuarial valuation increased by 0.75 percentage points for members under 65 and decreased by 1.75 percentage points for members over 65. In addition, actual per person health benefit costs were lower than projected. This reduced the plan's total OPEB liability by $1.3 billion in 2021.

- 2020 - The health care cost trend rate used in the September 30, 2019 actuarial valuation decreased by 0.50 percentage points and actual per person health benefit costs were lower than projected. This reduced the plan's total OPEB liability by $1.8 billion in 2020.

- 2019 - The discount rate used in the September 30, 2018 actuarial valuation decreased by 0.20 percentage points. The valuation also includes the impact of an updated experience study for periods from 2012 to 2017. This resulted in lower than projected per person health benefit costs to reduce the plan's total OPEB liability by an additional $1.4 billion in 2019.

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

NEWAYGO PUBLIC SCHOOLS
NEWAYGO, MICHIGAN

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUND TYPES

JUNE 30, 2026

	SPECIAL REVENUE FUNDS		DEBT RETIREMENT FUNDS				CAPITAL PROJECTS FUND	TOTAL
	FOOD SERVICE FUND	STUDENT ACTIVITIES FUND	2015 DEBT REFUNDING RETIREMENT FUND	2016 DEBT RETIREMENT FUND	2017 DEBT RETIREMENT FUND	2024 DEBT RETIREMENT FUND	CAPITAL IMPROVEMENT FUND	NONMAJOR GOVERNMENTAL FUNDS
ASSETS								
Cash and Cash Equivalents	$ 369,052	$ 217,840	$ 98,146	$ 230,178	$ 223,786	$ 294,631	$ 9,475	$ 1,443,108
Due from Other Funds	367,817	0	29,109	54,398	52,178	0	0	503,502
Due from Other Governmental Units	175,370	0	0	0	0	0	0	175,370
Inventory	29,195	0	0	0	0	0	0	29,195
TOTAL ASSETS	$ 941,434	$ 217,840	$ 127,255	$ 284,576	$ 275,964	$ 294,631	$ 9,475	$ 2,151,175
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Accounts Payable	$ 84,445	$ 107	$ 0	$ 0	$ 0	$ 0	$ 0	$ 84,552
Due to Other Funds	0	66,747	0	0	0	76,566	0	143,313
Salaries Payable	7,896	0	0	0	0	0	0	7,896
Accrued Expenses and Benefits Payable	2,968	0	0	0	0	0	0	2,968
Unearned Revenue	2,919	0	0	0	0	0	0	2,919
Total Liabilities	98,228	66,854	0	0	0	76,566	0	241,648
FUND BALANCES								
Nonspendable:								
Inventory	29,195	0	0	0	0	0	0	29,195
Committed for Capital Improvements	0	0	0	0	0	0	9,475	9,475
Restricted For:								
Debt Service	0	0	127,255	284,576	275,964	218,065	0	905,860
Food Service	814,011	0	0	0	0	0	0	814,011
Assigned For:								
Student Activities	0	150,986	0	0	0	0	0	150,986
Total Fund Balances	843,206	150,986	127,255	284,576	275,964	218,065	9,475	1,909,527
TOTAL LIABILITIES AND FUND BALANCES	$ 941,434	$ 217,840	$ 127,255	$ 284,576	$ 275,964	$ 294,631	$ 9,475	$ 2,151,175

NEWAYGO PUBLIC SCHOOLS
NEWAYGO, MICHIGAN

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUND TYPES

YEAR ENDED JUNE 30, 2026

	SPECIAL REVENUE FUNDS		DEBT RETIREMENT FUNDS				CAPITAL PROJECTS FUND	TOTAL
	FOOD SERVICE FUND	STUDENT ACTIVITIES FUND	2015 DEBT REFUNDING RETIREMENT FUND	2016 DEBT RETIREMENT FUND	2017 DEBT RETIREMENT FUND	2024 DEBT RETIREMENT FUND	CAPITAL IMPROVEMENT FUND	NONMAJOR GOVERNMENTAL FUNDS
REVENUES								
Local Sources	$ 61,528	$ 120,111	$ 807,663	$ 656,118	$ 626,076	$ 598,265	$ 35	$ 2,869,796
State Sources	143,015	0	16,181	13,184	12,585	11,986	0	196,951
Federal Sources	1,363,176	0	0	0	0	0	0	1,363,176
Total Revenues	1,567,719	120,111	823,844	669,302	638,661	610,251	35	4,429,923
EXPENDITURES								
Supporting Services								
Food Service	1,541,299	0	0	0	0	0	0	1,541,299
Student Activities	0	118,074	0	0	0	0	0	118,074
Debt Service								
Principal	0	0	945,000	165,000	250,000	330,000	0	1,690,000
Interest and Other	0	0	47,042	387,505	274,040	256,698	0	965,285
Total Expenditures	1,541,299	118,074	992,042	552,505	524,040	586,698	0	4,314,658
Excess (Deficiency) of Revenues Over Expenditures	26,420	2,037	(168,198)	116,797	114,621	23,553	35	115,265
OTHER FINANCING SOURCES (USES)								
Transfer In (Out)	(50,000)	0	0	0	0	0	0	(50,000)
Net Change in Fund Balance	(23,580)	2,037	(168,198)	116,797	114,621	23,553	35	65,265
FUND BALANCE - Beginning of Year, as Previously Presented	0	0	0	0	0	0	0	0
Adjustments to Beginning Fund Balance	866,786	148,949	295,453	167,779	161,343	194,512	9,440	1,844,262
Beginning of Year, as Restated	866,786	148,949	295,453	167,779	161,343	194,512	9,440	1,844,262
FUND BALANCE - End of Year	$ 843,206	$ 150,986	$ 127,255	$ 284,576	$ 275,964	$ 218,065	$ 9,475	$ 1,909,527

NEWAYGO PUBLIC SCHOOLS
NEWAYGO, MICHIGAN

SCHEDULE OF BONDS PAYABLE
JUNE 30, 2026

2016 GENERAL OBLIGATION BONDS

TITLE OF ISSUE	2016 School Building and Site Bonds, Series I
PURPOSE	Building and Renovating Elementary Schools
INTEREST PAYABLE	May 1, and November 1, of each year
AMOUNT OF ISSUE	$ 13,600,000

FISCAL YEAR DUE DATES	INTEREST RATES	REQUIREMENTS TOTAL FISCAL YEAR	SEMI-ANNUAL INTEREST PAYMENTS NOV 1	SEMI-ANNUAL INTEREST PAYMENTS MAY 1	PRINCIPAL MAY 1
2027	3.00 %	$ 1,232,800	$ 191,400	$ 191,400	$ 850,000
2028	3.00 %	1,207,300	178,650	178,650	850,000
2029	3.00 %	1,181,800	165,900	165,900	850,000
2030	3.00 %	1,156,300	153,150	153,150	850,000
2031	3.00 %	1,130,800	140,400	140,400	850,000
2032	3.00 %	1,105,300	127,650	127,650	850,000
2033	3.00 %	1,079,800	114,900	114,900	850,000
2034	3.00 %	1,054,300	102,150	102,150	850,000
2035	3.00 %	1,028,800	89,400	89,400	850,000
2036	3.00 %	1,003,300	76,650	76,650	850,000
2037	3.00 %	977,800	63,900	63,900	850,000
2038	3.00 %	952,300	51,150	51,150	850,000
2039	3.00 %	926,800	38,400	38,400	850,000
2040	3.00 %	906,300	25,650	25,650	855,000
2041	3.00 %	880,650	12,825	12,825	855,000
		$ 15,824,350	$ 1,532,175	$ 1,532,175	$ 12,760,000

NEWAYGO PUBLIC SCHOOLS
NEWAYGO, MICHIGAN

SCHEDULE OF BONDS PAYABLE
JUNE 30, 2026

2017 GENERAL OBLIGATION BONDS

TITLE OF ISSUE	2017 School Building and Site Bonds, Series II
PURPOSE	Building and Renovating Elementary Schools
INTEREST PAYABLE	May 1, and November 1, of each year
AMOUNT OF ISSUE	$ 9,360,000

FISCAL YEAR DUE DATES	INTEREST RATES	REQUIREMENTS TOTAL FISCAL YEAR	SEMI-ANNUAL INTEREST PAYMENTS NOV 1	SEMI-ANNUAL INTEREST PAYMENTS MAY 1	PRINCIPAL MAY 1
2027	3.00 %	$ 821,750	$ 133,375	$ 133,375	$ 555,000
2028	3.00 %	805,100	125,050	125,050	555,000
2029	3.00 %	788,450	116,725	116,725	555,000
2030	3.00 %	771,800	108,400	108,400	555,000
2031	3.00 %	755,150	100,075	100,075	555,000
2032	3.00 %	738,500	91,750	91,750	555,000
2033	3.00 %	721,850	83,425	83,425	555,000
2034	3.00 %	705,200	75,100	75,100	555,000
2035	3.00 %	687,162	66,081	66,081	555,000
2036	3.00 %	669,126	57,063	57,063	555,000
2037	3.00 %	651,088	48,044	48,044	555,000
2038	3.00 %	633,050	39,025	39,025	555,000
2039	3.00 %	613,626	29,313	29,313	555,000
2040	3.00 %	599,200	19,600	19,600	560,000
2041	3.00 %	579,598	9,799	9,799	560,000
		$ 10,540,650	$ 1,102,825	$ 1,102,825	$ 8,335,000

NEWAYGO PUBLIC SCHOOLS
NEWAYGO, MICHIGAN

SCHEDULE OF BONDS PAYABLE
JUNE 30, 2026

2024 GENERAL OBLIGATION BONDS

TITLE OF ISSUE: 2024 School Building and Site Bonds, Series I

PURPOSE: (i) Remodeling, furnishing and re-furnishing, and equipping and re-equipping school buildings, including for school security; acquiring and installing instructional technology; and equipping, preparing, developing, and improving athletic fields and facilities and sites; and (ii) paying the costs of issuing the bonds.

INTEREST PAYABLE: May 1, and November 1, of each year

AMOUNT OF ISSUE: $ 5,860,000

FISCAL YEAR DUE DATES	INTEREST RATES	REQUIREMENTS TOTAL FISCAL YEAR	SEMI-ANNUAL INTEREST PAYMENTS NOV 1	SEMI-ANNUAL INTEREST PAYMENTS MAY 1	PRINCIPAL MAY 1
2027		$ 240,250	$ 120,125	$ 120,125	$ 0
2028		240,250	120,125	120,125	0
2029	5.00 %	240,250	120,125	120,125	0
2030	5.00 %	240,250	120,125	120,125	0
2031	5.00 %	375,250	120,125	120,125	135,000
2032	5.00 %	443,500	116,750	116,750	210,000
2033	5.00 %	478,000	111,500	111,500	255,000
2034	5.00 %	505,250	105,125	105,125	295,000
2035	5.00 %	505,500	97,750	97,750	310,000
2036	5.00 %	505,000	90,000	90,000	325,000
2037	5.00 %	503,750	81,875	81,875	340,000
2038	5.00 %	506,750	73,375	73,375	360,000
2039	5.00 %	508,750	64,375	64,375	380,000
2040	5.00 %	504,750	54,875	54,875	395,000
2041	5.00 %	505,000	45,000	45,000	415,000
2042	5.00 %	504,250	34,625	34,625	435,000
2043	5.00 %	507,500	23,750	23,750	460,000
2044	5.00 %	514,500	12,250	12,250	490,000
		$ 7,828,750	$ 1,511,875	$ 1,511,875	$ 4,805,000

NEWAYGO PUBLIC SCHOOLS
NEWAYGO, MICHIGAN

SCHEDULE OF BONDS PAYABLE
JUNE 30, 2026

2026 GENERAL OBLIGATION BONDS

TITLE OF ISSUE	2026 School Building and Site Bonds, Series II
PURPOSE	(i) Remodeling, furnishing and re-furnishing, and equipping and re-equipping school buildings, including for school security; acquiring and installing instructional technology; and equipping, preparing, developing, and improving athletic fields and facilities and sites; and (ii) paying the costs of issuing the bonds.
INTEREST PAYABLE	May 1, and November 1, of each year
AMOUNT OF ISSUE	$ 15,810,000

		REQUIREMENTS			
			SEMI-ANNUAL		
FISCAL YEAR	INTEREST	TOTAL	INTEREST PAYMENTS		PRINCIPAL
DUE DATES	RATES	FISCAL YEAR	NOV 1	MAY 1	MAY 1
2027		$ 661,883	$ 312,502	$ 349,381	$ 0
2028		698,762	349,381	349,381	0
2029		898,762	349,381	349,381	200,000
2030		973,762	344,381	344,381	285,000
2031	5.00 %	924,512	337,256	337,256	250,000
2032	5.00 %	912,012	331,006	331,006	250,000
2033	5.00 %	919,512	324,756	324,756	270,000
2034	5.00 %	926,012	318,006	318,006	290,000
2035	5.00 %	961,512	310,756	310,756	340,000
2036	5.00 %	999,512	302,256	302,256	395,000
2037	5.00 %	1,034,762	292,381	292,381	450,000
2038	5.00 %	1,077,262	281,131	281,131	515,000
2039	5.00 %	1,111,512	268,256	268,256	575,000
2040	5.00 %	1,132,762	253,881	253,881	625,000
2041	4.00 %	1,171,512	238,256	238,256	695,000
2042	4.00 %	1,143,712	224,356	224,356	695,000
2043	4.00 %	1,135,912	210,456	210,456	715,000
2044	4.00 %	1,127,312	196,156	196,156	735,000
2045	4.125 %	1,442,912	181,456	181,456	1,080,000
2046	4.125 %	1,438,364	159,182	159,182	1,120,000
2047	4.250 %	1,437,164	136,082	136,082	1,165,000
2048	4.250 %	1,437,652	111,326	111,326	1,215,000
2049	4.250 %	1,436,014	85,507	85,507	1,265,000
2050	4.375 %	1,432,252	58,626	58,626	1,315,000
2051	4.375 %	1,424,720	29,860	29,860	1,365,000
		$ 27,860,065	$ 6,006,593	$ 6,043,472	$ 15,810,000