

**PRELIMINARY OFFICIAL STATEMENT DATED MAY 26, 2026**

**NEW ISSUE—Book-Entry-Only**

**RATING†\*: S&P Global Ratings AA**

*In the opinion of Thrun Law Firm, P.C., Bond Counsel, under existing law, (i) the Bonds and the interest thereon are exempt from all taxation in the State of Michigan, except inheritance and estate taxes and taxes on gains realized from the sale, payment or other disposition thereof, (ii) interest on the Bonds is excluded from gross income for federal income tax purposes to the extent and subject to the conditions described herein, and (iii) interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax to the extent and subject to the conditions described herein. See "TAX MATTERS" herein.*



**\$63,470,000\*\***

**NORTHVILLE PUBLIC SCHOOLS  
COUNTIES OF WAYNE, OAKLAND AND WASHTENAW, STATE OF MICHIGAN  
2026 SCHOOL BUILDING AND SITE BONDS, SERIES II  
(GENERAL OBLIGATION - UNLIMITED TAX)**

**Dated: Date of Delivery**

**Due: May 1, as shown below**

On May 2, 2023, the qualified electors of the Northville Public Schools, Counties of Wayne, Oakland and Washtenaw, State of Michigan (the "School District") approved the issuance of bonds in the aggregate amount of not to exceed \$134,400,000. Proceeds of the 2026 School Building and Site Bonds, Series II (General Obligation – Unlimited Tax) (the "Bonds") in the principal amount of \$63,470,000\*\*, representing the second series of bonds issued under the 2023 authorization, will be used for school building and site purposes. The Bonds were authorized by the Board of Education of the School District by resolutions adopted on February 10, 2026 and expected to be adopted on June \_\_, 2026 (together, the "Resolutions"). The Bonds will pledge the full faith and credit of the School District for payment of the principal and interest thereon and will be payable from ad valorem taxes, which may be levied on all taxable property in the School District without limitation as to rate or amount.

The Bonds are issuable only as fully registered bonds without coupons and, when issued, will be registered in the name of Cede & Co., as Bondholder and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Purchases of beneficial interests in the Bonds will be made in book-entry-only form in the denomination of \$5,000 or any integral multiple thereof. Purchasers of beneficial interests in the Bonds (the "Beneficial Owners") will not receive certificates representing their beneficial interest in Bonds purchased. So long as Cede & Co. is the Bondholder, as nominee of DTC, references herein to the Bondholders or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the Bonds. See "THE BONDS—Book-Entry-Only System" herein.

Principal of and interest on the Bonds will be paid by the corporate trust office of Argent Institutional Trust Company, Grand Rapids, Michigan (the "Paying Agent"). So long as DTC or its nominee, Cede & Co., is the Bondholder, such payments will be made directly to such Bondholder. Disbursement of such payments to DTC's Direct Participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of DTC's Direct Participants and Indirect Participants, as more fully described herein. Interest will be payable semiannually on May 1 and November 1, commencing November 1, 2026 to the Bondholders of record as of the applicable record dates as stated in the Bonds.

The School District has applied for municipal bond insurance to insure the Bonds, but has not, as of the date hereof, received or accepted a commitment. See "POTENTIAL FOR BOND INSURANCE" herein.

(Base CUSIP\$: \_\_\_\_\_)

<u>Maturity**</u>	<u>Amount**</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP\$</u>	<u>Maturity**</u>	<u>Amount**</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP\$</u>
2027	\$2,000,000				2038	\$2,650,000			
2028	3,270,000				2039	2,650,000			
2029	4,020,000				2040	2,780,000			
2030	1,020,000				2041	2,920,000			
2031	1,620,000				2042	3,270,000			
2032	2,000,000				2043	3,640,000			
2033	2,000,000				2044	3,860,000			
2034	2,000,000				2045	4,260,000			
2035	2,190,000				2046	4,250,000			
2036	2,190,000				2047	4,300,000			
2037	2,280,000				2048	4,300,000			

THE BONDS OR PORTIONS OF THE BONDS MATURING ON OR AFTER MAY 1, 2037\*\* ARE SUBJECT TO OPTIONAL REDEMPTION BEGINNING MAY 1, 2036\*\*, IN THE MANNER AND AT THE TIMES DESCRIBED HEREIN. See "THE BONDS — Optional Redemption" herein.

The Bonds will be offered when, as and if issued by the School District and accepted by the Underwriters subject to the approving legal opinion of Thrun Law Firm, P.C., East Lansing, Michigan, Bond Counsel. Certain legal matters will be passed upon for the Underwriters by Miller, Canfield, Paddock and Stone, P.L.C., Detroit, Michigan. It is expected that the Bonds will be available for delivery through DTC on or about June \_\_, 2026.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

**STIFEL**

**Raymond James**

The date of this Official Statement is June \_\_, 2026.

† For an explanation of the rating, see "RATING" herein.

\* As of date of delivery.

\*\* Preliminary, subject to change.

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This Preliminary Official Statement and the information contained herein are subject to completion and amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. As of this date, this Preliminary Official Statement has been deemed "final" by the School District for purposes of SEC Rule 15c2-12(b)(1) except for the omission of certain information permitted by SEC Rule 15c2-12(b)(1).

No dealer, broker, salesperson or other person has been authorized to give any information or to make any representation other than as contained in this Official Statement in connection with the offer made hereby and, if given or made, such other information or representation must not be relied upon as having been authorized by the School District or the Underwriters. This Official Statement and the information contained herein are subject to completion and amendment. These securities may not be sold nor may an offer to buy these securities be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

Information herein has been obtained from the School District, The Depository Trust Company and other sources believed to be reliable. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information (except for information under the section captioned "UNDERWRITING," which was obtained from the Underwriters).

Upon issuance, the Bonds will not be registered under the Securities Act of 1933, as amended, or any state securities law and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any other federal, state, municipal or other governmental entity or agency will have passed upon the adequacy of this Official Statement, or, except for the School District, approved the Bonds for sale.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE INFORMATION PRESENTED IN THIS OFFICIAL STATEMENT CONCERNING THE SCHOOL DISTRICT AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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**OFFICIAL STATEMENT**  
relating to

\$63,470,000<sup>1</sup>

**NORTHVILLE PUBLIC SCHOOLS**  
**COUNTIES OF WAYNE, OAKLAND AND WASHTENAW, STATE OF MICHIGAN**  
**2026 SCHOOL BUILDING AND SITE BONDS, SERIES II**  
**(GENERAL OBLIGATION – UNLIMITED TAX)**

**INTRODUCTION**

The purpose of this Official Statement, which includes the cover page and Appendices, is to furnish information in connection with the issuance and sale by Northville Public Schools, Counties of Wayne, Oakland and Washtenaw, State of Michigan (the "School District") of its 2026 School Building and Site Bonds, Series II (General Obligation - Unlimited Tax) (the "Bonds") in the principal amount of \$63,470,000<sup>1</sup>.

**PURPOSE AND SECURITY**

On May 2, 2023, the qualified electors of the School District approved a proposal authorizing the issuance of bonds in an aggregate amount of not to exceed \$134,400,000, to be issued in one or more series. The Bonds in the principal amount of \$63,470,000<sup>1</sup>, representing the second series of bonds issued pursuant to such voter approval, will be used for the purpose of erecting, furnishing, and equipping additions to and remodeling, furnishing and re-furnishing, and equipping and re-equipping school facilities; acquiring and installing instructional technology; purchasing school buses; and erecting, furnishing, equipping, developing, and improving playgrounds, parking areas, sidewalks, sites, and athletic fields and facilities; and paying the costs of issuing the Bonds.

The Bonds, as authorized for issuance by the resolutions of the Board of Education of the School District adopted on February 10, 2026 and expected to be adopted on June \_\_, 2026 (together, the "Resolutions"), are a full faith and credit unlimited tax general obligation of the School District. The principal of and interest on the Bonds are payable from the proceeds of ad valorem taxes levied on all taxable property in the School District which may be levied without limitation as to rate or amount.

**POTENTIAL FOR BOND INSURANCE**

The School District has applied for municipal bond insurance to insure the Bonds, but has not, as of the date hereof, received or accepted a commitment for such insurance. The School District will, together with its financial advisor, evaluate any commitment that is received and determine whether it is cost effective to accept the commitment to insure the Bonds. If the Bonds are insured, information regarding the bond insurance, the bond insurer, and the effect of insurance on the ratings for the Bonds will be included in the final Official Statement.

**ESTIMATED SOURCES AND USES OF FUNDS**

**SOURCES**

- Par Amount of the Bonds
- Original Issue Premium
- Original Issue Discount
- Total Sources

**USES**

- Capital Projects Fund
- Underwriters' Discount
- Costs of Issuance for the Bonds
- Total Uses

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<sup>1</sup> Preliminary, subject to change.

## THE BONDS

### **Description and Form of the Bonds**

The Bonds will be issued in book-entry-only form as one fully registered Bond per maturity, without coupons, in the aggregate principal amount for each maturity set forth on the cover page hereof and may be purchased in denominations of \$5,000 or any integral multiple thereof. The Bonds will be dated as of, and bear interest from, the date of issuance. Interest on the Bonds shall be payable semiannually each May 1 and November 1 to maturity or early redemption, commencing November 1, 2026. Interest on the Bonds shall be computed using a 360-day year with twelve 30-day months, and the Bonds will mature on the dates and in the principal amounts and will bear interest at the rates as set forth on the cover of this Official Statement.

The corporate trust office of Argent Institutional Trust Company, Grand Rapids, Michigan, will serve as the paying agent (the "Paying Agent") and also as bond registrar and transfer agent if the Bonds cease to be held in book-entry-only form. Interest on the Bonds shall be payable when due by check or draft to the person or entity who or which is, as of the fifteenth (15th) day of the month preceding each interest payment date, the registered owner of record, at the owner's registered address. For a description of payment of principal and interest, transfers, and exchanges on the Bonds, which are held in the book-entry-only system, see "Book-Entry-Only System" below. For a description of transfers and exchanges on the Bonds if the Bonds cease to be held in book-entry-only form, see "Transfer Outside Book-Entry-Only System" below.

### **Book-Entry-Only System**

The information in this section has been furnished by The Depository Trust Company, New York, New York ("DTC"). No representation is made by the School District, the Paying Agent or the Underwriters as to the completeness or accuracy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof. No attempt has been made by the School District, the Paying Agent or the Underwriters to determine whether DTC is or will be financially or otherwise capable of fulfilling its obligations. Neither the School District nor the Paying Agent will have any responsibility or obligation to Direct Participants, Indirect Participants (both as defined below) or the persons for which they act as nominees with respect to the Bonds, or for any principal, premium, if any, or interest payment thereof.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee), or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC System is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the School District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal and interest and redemption amounts, if any, on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the School District or Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, Paying Agent, or the School District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payments of principal, interest and redemption amounts, if any, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) are the responsibility of the School District or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the School District or Paying Agent. Under such circumstances, in the

event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

The School District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

### **Transfer Outside Book-Entry-Only System**

In the event that the book-entry-only system is discontinued, the Paying Agent shall keep the registration books for the Bonds (the "Bond Register") at its corporate trust office. Subject to the further conditions contained in the Resolutions, the Bonds may be transferred or exchanged for one or more Bonds in different authorized denominations upon surrender thereof at the corporate trust office of the Paying Agent by the registered owners or their duly authorized attorneys; upon surrender of any Bonds to be transferred or exchanged, the Paying Agent shall record the transfer or exchange in the Bond Register and shall authenticate replacement bonds in authorized denominations; during the fifteen (15) days immediately preceding the date of mailing of any notice of redemption or any time following the mailing of any notice of redemption, the Paying Agent shall not be required to effect or register any transfer or exchange of any Bond which has been selected for such redemption, except the Bonds properly surrendered for partial redemption may be exchanged for new Bonds in authorized denominations equal in the aggregate to the unredeemed portion; the School District and the Paying Agent shall be entitled to treat the registered owners of the Bonds, as their names appear in the Bond Register as of the appropriate dates, as the owners of such Bonds for all purposes under the Resolutions. No transfer or exchange made other than as described above and in the Resolutions shall be valid or effective for any purposes under the Resolutions.

### **Optional Redemption**<sup>1</sup>

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

### **Notice of Redemption and Manner of Selection**

Notice of redemption of any Bond shall be given not less than thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption by mail to the registered owner at the registered address shown on the registration books kept by the Paying Agent. The Bonds shall be called for redemption in multiples of \$5,000 and Bonds of denominations of more than \$5,000 shall be treated as representing the number of Bonds obtained by dividing the face amount of the Bond by \$5,000 and such Bonds may be redeemed in part. The notice of redemption for Bonds redeemed in part shall state that upon surrender of the Bond to be redeemed a new Bond or Bonds in an aggregate face amount equal to the unredeemed portion of the Bond surrendered shall be issued to the registered owner thereof.

If less than all of the Bonds of any maturity shall be called for redemption prior to maturity, unless otherwise provided, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Paying Agent, in the principal amounts designated by the School District. Any Bonds selected for redemption will cease to bear interest on the date fixed for redemption, whether presented for redemption, provided funds are on hand with the Paying Agent to redeem said Bonds. Upon presentation and surrender of such Bonds at the corporate trust office of the Paying Agent, such Bonds shall be paid and redeemed.

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

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<sup>1</sup> Preliminary, subject to change.

## **TAX PROCEDURES**

Article IX, Section 3, of the Michigan Constitution provides that the proportion of true cash value at which property shall be assessed shall not exceed 50% of true cash value. The Michigan Legislature by statute has provided that property shall be assessed at 50% of its true cash value, except as described below. The Michigan Legislature or the electorate may at some future time reduce the percentage below 50% of true cash value.

On March 15, 1994, the electors of the State of Michigan approved an amendment to the Michigan Constitution permitting the Legislature to authorize ad valorem taxes on a non-uniform basis. The legislation implementing this constitutional amendment added a new measure of property value known as "Taxable Value." Beginning in 1995, taxable property has two valuations -- State equalized valuation ("SEV") and Taxable Value. Property taxes are levied on Taxable Value. Generally, Taxable Value of property is the lesser of (a) the Taxable Value of the property in the immediately preceding year, adjusted for losses, and increased or reduced by the lesser of the inflation rate or 5%, plus additions, or (b) the property's current SEV. Under certain circumstances, therefore, the Taxable Value of property may be different from the same property's SEV.

When property is sold or transferred, Taxable Value is adjusted to the SEV, which under existing law is 50% of the current true cash value. The Taxable Value of new construction is equal to current SEV. Taxable Value and SEV of existing property are also adjusted annually for additions and losses.

Responsibility for assessing taxable property rests with the local assessing officer of each township and city. Any property owner may appeal the assessment to the local board of review, the Michigan Tax Tribunal, and ultimately to the Michigan appellate courts.

The Michigan Constitution also mandates a system of equalization for assessments. Although the assessors for each local unit of government within a county are responsible for actually assessing at 50% of true cash value, adjusted for Taxable Value purposes, the final SEV and Taxable Value are arrived at through several steps. Assessments are established initially by the municipal assessor. Municipal assessments are then equalized to the 50% levels as determined by the county's department of equalization. Thereafter, the State equalizes the various counties in relation to each other. SEV is important, aside from its use in determining Taxable Value for the purpose of levying ad valorem property taxes, because of its role in the spreading of taxes between overlapping jurisdictions, the distribution of various State aid programs, State revenue sharing and in the calculation of debt limits.

Property that is exempt from property taxes, e.g., churches, government property, public schools, is not included in the SEV and Taxable Value data in the Official Statement. Property granted tax abatements under Act 198, Public Acts of Michigan, 1974, amended, is recorded on a separate tax roll while subject to tax abatement. The valuation of tax-abated property is based upon SEV but is not included in either the SEV or Taxable Value data in the Official Statement except as noted. Under limited circumstances, other State laws permit the partial abatement of certain taxes for other types of property for periods of up to 12 years.

### **LEVY AND COLLECTION OF TAXES FOR PAYMENT OF THE BONDS AND BONDHOLDERS' REMEDIES**

The Resolutions authorizing the issuance of the Bonds and State law obligate the School District to levy a tax annually in an amount sufficient so that the estimated collections therefrom, together with other amounts, if any, will be sufficient to pay promptly when due the principal of and interest on the Bonds becoming due prior to the time of the next tax levy. The tax levy shall not be subject to limitation as to rate or amount. Taxes for the payment of the principal of or interest on the Bonds are certified for collection each year with the school tax levies. In the event of the failure of the proper officials to certify taxes for the payment of the principal and interest requirements, a timely action in the nature of mandamus could compel certification and collection of adequate taxes.

Registered owners of the Bonds may attempt to obtain a money judgment against the School District for the principal amount of the Bonds or interest not paid when due and may periodically attempt to enforce the collection of the money judgment by requiring the tax assessing officers for the School District to place

the amount of such judgment on the next tax rolls of the School District. The rights of the holders of the Bonds and the enforceability thereof are subject to bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and their enforcement also may be subject to the exercise of judicial discretion in appropriate cases.

## SOURCES OF SCHOOL OPERATING REVENUE

On March 15, 1994, the electors of the State of Michigan approved a ballot proposition to amend the State Constitution of 1963, in part, to increase the State sales tax from 4% to 6% as part of a complex plan to restructure the source of funding of public education (K-12) in order to reduce reliance on local property taxes for school operating purposes and to reduce the per pupil finance resource disparities among school districts.

The State school aid package passed by the Legislature as part of the school finance reform legislation instituted a per pupil foundation allowance beginning in fiscal year 1994/95. With the passage of Public Act 48 of 2021, the Legislature eliminated the foundation allowance range in 2021/22 that had been in place since the passage of the school finance reform legislation in 1994. In Public Act 15 of 2025 ("PA 15"), the Legislature established a 2025/26 target foundation allowance of \$10,050 per pupil. In the future, the foundation allowance may be adjusted annually by an index based upon the change in revenues to the State school aid fund and change in the total number of pupils statewide. The foundation allowance is funded by locally raised property taxes plus State school aid. The revenues for the State's contribution to the foundation allowance are derived from a mix of taxing sources, including, but not limited to, a statewide property tax of 6 mills on all taxable property<sup>1</sup>, a State sales and use tax, a real estate transfer tax and a cigarette tax.

Generally, school districts are required to levy a local property tax of not more than 18 mills or the number of mills levied in 1993 for school operating purposes, whichever is less, on non-homestead properties<sup>2</sup> in order for the school district to receive its per pupil foundation allowance. An intermediate school district may seek voter approval for up to three enhancement mills for distribution to local constituent school districts on a per pupil basis. Proceeds of the enhancement mills are not counted toward the foundation allowance. The Wayne Regional Educational Service Agency, the School District's intermediate school district, levies a 1.98 mills (rolled back to 1.9708 mills) regional enhancement millage which is distributed to all constituent schools within its boundaries, including the School District, on a per pupil basis. The School District anticipates receiving approximately \$401 per pupil from that millage in 2025/26. Furthermore, school districts whose per pupil foundation allowance in 2025/26 calculates to an amount in excess of \$10,050 are authorized to levy additional millage to obtain the foundation allowance, first by levying such amount of the 18 mills against homestead property<sup>3</sup> as is necessary to hold themselves harmless and, if the 18 mills is insufficient, to then levy such additional mills against all property uniformly as is necessary to obtain the foundation allowance. The School District's 2025/26 per pupil foundation allowance does not exceed \$10,050, and the School District does not levy such additional millage.

State aid appropriations and the payment schedule for State school aid may be changed by the Legislature at any time. If the amount appropriated from the State school aid fund exceeds the amount available for expenditure for a fiscal year, in the absence of overriding legislative action by the Legislature, the State School Aid Act subjects most state aid payable to school districts for that fiscal year to an automatic proration on a per pupil basis in an amount necessary to eliminate the portion of the overage attributable to the appropriation to all school districts. See "STATE AID PAYMENTS" in APPENDIX A.

Public Act 120 of 2024 amended the State School Aid Act for the 2024/25 fiscal year, maintaining the School District's foundation allowance from the previous year at \$9,608 per pupil.

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<sup>1</sup> "Taxable property" in this context does not include industrial personal property.

<sup>2</sup> "Non-homestead property" includes all taxable property other than principal residence, qualified agricultural property, qualified forestry property, supportive housing property, property occupied by a public school academy, and industrial personal property. Commercial personal property, to the extent not otherwise exempt, is exempt from the first 12 mills of not more than 18 mills levied by school districts.

<sup>3</sup> "Homestead property", in this context, means principal residence, qualified agricultural property, qualified forestry property, supportive housing property, property occupied by a public school academy, certain industrial personal property and certain commercial personal property, to the extent not otherwise exempt.

PA 15 amended the State School Aid Act for the 2025/26 fiscal year, increasing the School District's foundation allowance to \$10,050 per pupil.

Pursuant to PA 15, the School District may be eligible to receive various categorical grants for specific purposes, such as special education, "at-risk" students, meal programs, early education, career and technical education programs, and other instructional and non-instructional programs. The annual amendments to the State School Aid Act determine the type and amount of those categorical funds. For further information regarding the School District's receipt of categorical funds for the 2024/25 fiscal year, see the School District's audited financial statements in APPENDIX C.

THE SOURCES OF THE SCHOOL DISTRICT'S OPERATING REVENUE DO NOT IMPACT THE TAXING AUTHORITY OF THE SCHOOL DISTRICT FOR PAYMENT OF GENERAL OBLIGATION UNLIMITED TAX SCHOOL BONDS AND DO NOT AFFECT THE OBLIGATION OF THE SCHOOL DISTRICT TO LEVY TAXES FOR PAYMENT OF DEBT SERVICE ON GENERAL OBLIGATION UNLIMITED TAX BONDS OF THE SCHOOL DISTRICT, INCLUDING THE BONDS OFFERED HEREIN.

### **MICHIGAN PROPERTY TAX REFORM**

On November 5, 2013, March 28, 2014, and April 1, 2014, a package of bills amended and replaced legislation enacted in 2012 to phase-out most personal property taxation in Michigan. The bills were contingent on Michigan voters approving a ballot question authorizing a new municipal entity, the Local Community Stabilization Authority ("LCSA"), to levy a local component of the statewide use tax and distribute that revenue to local units of government to offset their revenue losses resulting from the personal property tax reform. On August 5, 2014, voters approved that ballot question.

The bill package, together with the original 2012 legislation, created two new exemptions from the personal property tax. Under the "small taxpayer exemption," the commercial and industrial personal property of each owner with a combined true cash value in a local tax collecting unit of less than \$80,000 became exempt from ad valorem taxes in that collecting unit beginning in 2014, with such threshold being increased by the legislature to a combined true cash value in a local tax collecting unit of less than \$180,000 beginning in 2023. For businesses that do not qualify for the "small taxpayer exemption," all "eligible manufacturing personal property" (personal property used more than 50% of the time in industrial processing or direct integrated support) purchased and placed into service before 2006 or during or after 2013 became exempt beginning in 2016. Taxation on "eligible manufacturing personal property" placed into service after 2006 but before 2013 will be phased-out over time; with the exemption taking effect after the property has been in service for the immediately preceding 10 years. The legislation extends certain personal property tax exemptions and tax abatements for technology parks, industrial facilities and enterprise zones that were to expire after 2012, until the voter approved personal property tax exemptions take effect.

Pursuant to voter approval in August 2014, the legislation also includes a formula to reimburse school districts for 100% of their lost operating millage revenue and lost sinking fund millage revenue. To provide the reimbursement, the legislation reduces the state share of the use tax and authorizes the LCSA to levy a local component of the use tax and distribute that revenue to qualifying local units. However, the reimbursement for the school district's operating millage will come from the State use tax component, which is deposited into the State school aid fund.<sup>1</sup> While the legislation provides reimbursement for prospective school operating losses, pursuant to legislative changes made in 2020, the School District will be reimbursed for debt millage calculated pursuant to a statutory formula.

### **LITIGATION**

The School District has not been served with any litigation, administrative action or proceeding, and to the knowledge of the appropriate officials of the School District no litigation or administrative action or

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<sup>1</sup> A school district that increases its millage rate, without voter approval, to replace debt millage revenue loss would not be eligible to receive reimbursement distributions. Because much of the reimbursement funds are deposited into the State school aid fund, the legislature may, in the future, change the funding formulas in the State School Aid Act of 1979 or appropriate funds therein for other purposes.

proceeding has been threatened, restraining or enjoining, or seeking to restrain or enjoin, the issuance and delivery of the Bonds, or questioning or contesting the validity of the Bonds or the proceedings or authorities under which they are authorized to be issued, sold, executed and delivered. A certificate to such effect will be delivered to the Underwriters at the time of the original delivery of the Bonds.

## **TAX MATTERS**

### **State**

In the opinion of Thrun Law Firm, P.C., East Lansing, Michigan ("Bond Counsel"), based on its examination of the documents described in its opinion, under existing State of Michigan statutes, regulations, rulings and court decisions, the Bonds and the interest thereon are exempt from all taxation in the State of Michigan, except inheritance and estate taxes and taxes on gains realized from the sale, payment or other disposition thereof.

### **Federal**

In the opinion of Bond Counsel, based upon its examination of the documents described in its opinion, under existing statutes, regulations, rulings and court decisions, the interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, interest on the Bonds held by an "applicable corporation" as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended (the "Code") is included in annual "adjusted financial statement income" for purposes of calculating the alternative minimum tax imposed on an applicable corporation. The opinions set forth in the preceding sentence are subject to the condition that the School District comply with all requirements of the Code, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The School District has covenanted to comply with such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Bonds. Bond Counsel will express no opinion regarding other federal tax consequences with respect to the Bonds.

There are additional federal tax consequences relative to the Bonds and the interest thereon. The following is a general description of some of these consequences but is not intended to be complete or exhaustive and investors should consult with their tax advisors with respect to these matters. Prospective purchasers of the Bonds should be aware that (i) interest on the Bonds is included in the effectively connected earnings and profits of certain foreign corporations for purposes of calculating the branch profits tax imposed by Section 884 of the Code, (ii) interest on the Bonds may be subject to a tax on excess net passive income of certain S Corporations imposed by Section 1375 of the Code, (iii) interest on the Bonds is included in the calculation of modified adjusted gross income for purposes of determining the taxability of social security or railroad retirement benefits, (iv) the receipt of interest on the Bonds by life insurance companies may affect the federal tax liability of such companies, (v) in the case of property and casualty insurance companies, the amount of certain loss deductions otherwise allowed is reduced by a specific percentage of, among other things, interest on the Bonds, (vi) holders of the Bonds may not deduct interest on indebtedness incurred or continued to purchase or carry the Bonds, and (vii) commercial banks, thrift institutions and other financial institutions may not deduct their costs of carrying certain obligations such as the Bonds.

### **Original Issue Premium**<sup>1</sup>

For federal income tax purposes, the initial offering prices to the public (excluding bond houses and brokers) of certain Bonds, as set forth on the cover of this Official Statement, may be greater than the stated redemption prices at maturity (the "Premium Bonds"), and constitutes for the original purchasers of the Premium Bonds an amortizable bond premium. Such amortizable bond premium is not deductible from gross income. The amount of amortizable bond premium allocable to each taxable year is generally determined on the basis of a taxpayer's yield to maturity determined by using the taxpayer's basis (for purposes of determining loss on sale or exchange) of such Premium Bonds and compounding at the close of each six-month accrual period. The amount of amortizable bond premium allocable to each taxable year is deducted

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<sup>1</sup> Preliminary, subject to change.

from the taxpayer's adjusted basis of such Premium Bonds to determine taxable gain upon disposition (including sale, redemption or payment on maturity) of such Premium Bonds.

### **Original Issue Discount**<sup>1</sup>

The initial public offering prices of certain Bonds, as set forth on the cover page of this Official Statement, may be less than the stated redemption prices at maturity (hereinafter referred to as the "OID Bonds"), and, to the extent properly allocable to each owner of such OID Bond, the original issue discount is excludable from gross income for federal income tax purposes with respect to such owner. Original issue discount is the excess of the stated redemption price at maturity of an OID Bond over the initial offering price to the public (excluding bond houses and brokers) at which price a substantial amount of the OID Bonds were sold. Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. For an owner who acquires an OID Bond in this offering, the amount of original issue discount that accrues during any accrual period generally equals (i) the issue price of such OID Bond plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (ii) the yield to maturity on such OID Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), less (iii) any interest payable on such OID Bond during such accrual period. The amount of original issue discount so accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excluded from gross income for federal income tax purposes, and will increase the owner's tax basis in such OID Bond. Any gain realized by an owner from a sale, exchange, payment or redemption of an OID Bond would be treated as gain from the sale or exchange of such OID Bond. Owners of OID Bonds should consult with their individual tax advisors to determine whether the application of the original issue discount federal regulations will require them to include, for state and local income tax purposes, an amount of interest on the OID Bonds as income even though no corresponding cash interest payment is actually received during the tax year.

### **Future Developments**

No assurance can be given that any future legislation or clarifications or amendments to the Code or to Michigan statutes, if enacted into law, will not contain proposals which could cause the interest on the Bonds to be subject directly or indirectly to federal or State income taxation, adversely affect the market price or marketability of the Bonds, or otherwise prevent bondholders from realizing the full current benefit of the status of the interest thereon.

Furthermore, no assurance can be given that the impact of any future court decisions will not cause the interest on the Bonds to be subject directly or indirectly to federal or State income taxation, adversely affect the market price or marketability of the Bonds, or otherwise prevent bondholders from realizing the full current benefit of the status of the interest thereon.

It is to be understood that the rights of the holders of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

INVESTORS SHOULD CONSULT WITH THEIR TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THEIR ACQUISITION, HOLDING OR DISPOSITION OF THE BONDS, INCLUDING THE TREATMENT OF ORIGINAL ISSUE PREMIUM OR ORIGINAL ISSUE DISCOUNT, IF ANY.

### **APPROVAL OF LEGAL PROCEEDINGS**

Legal matters incident to the authorization, issuance and sale by the School District of the Bonds are subject to the approving opinion of Thrun Law Firm, P.C., East Lansing, Michigan, Bond Counsel. Except to the extent necessary to issue its approving opinion as to the validity of the Bonds, Bond Counsel has made no inquiry as to any financial information, statements or materials contained in any financial documents, statements or materials that have been or may be furnished in connection with the authorization, issuance or

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<sup>1</sup> Preliminary, subject to change.

marketing of the Bonds, and accordingly will not express any opinion with respect to the accuracy or completeness of any such financial information, statements or materials.

Certain legal matters will be passed upon for the Underwriters by their counsel, Miller, Canfield, Paddock and Stone, P.L.C., Detroit, Michigan.

### **APPROVAL BY MICHIGAN DEPARTMENT OF TREASURY**

The School District has received a letter from the Department of Treasury of the State of Michigan stating that the School District is in material compliance with the criteria of the Revised Municipal Finance Act 34, Public Acts of Michigan, 2001, as amended, for a municipality to be granted qualified status. The School District may therefore issue the Bonds without further approval from the Department of Treasury of the State of Michigan.

### **RATING**

S&P Global Ratings, a business unit of Standard and Poor's Financial Services LLC ("S&P") will assign, as of the date of delivery of the Bonds, its municipal bond rating of "AA" to the Bonds.

No application has been made to any other ratings service for a rating on the Bonds. The School District furnished to S&P certain materials and information in addition to that provided herein. Generally, rating agencies base their ratings on such information and materials, and on investigations, studies and assumptions. There is no assurance that such ratings will prevail for any given period of time or that they will not be revised downward or withdrawn entirely by S&P if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse affect on the market price of the Bonds. Any ratings assigned represent only the views of S&P. Further information is available upon request from S&P Global Ratings, 55 Water Street, New York, New York 10041, telephone: (212) 438-1000.

### **UNDERWRITING**

Stifel, Nicolaus & Company, Incorporated ("Stifel") and Raymond James & Associates, Inc. (collectively, the "Underwriters"), have agreed, subject to the terms of the Bond Purchase Agreement, to purchase the Bonds from the School District. The Bond Purchase Agreement provides, in part, that the Underwriters, subject to certain conditions, will purchase from the School District the aggregate principal amount of Bonds for a purchase price as set forth therein. The Underwriters have further agreed to offer the Bonds to the public at the approximate initial offering prices corresponding to the yields as set forth on the cover hereto. The Underwriters may offer and sell the Bonds to certain dealers and others at prices lower than the offering prices corresponding to the yields stated on the cover hereto. The offering prices may be changed from time to time by the Underwriters. The aggregate underwriting fee for the Bonds equals \_\_\_\_\_ percent of the aggregate principal amount of the Bonds.

The Bond Purchase Agreement provides that the obligations of the Underwriters are subject to certain conditions, including, among other things, that (i) no event has occurred which impairs or threatens to impair the validity of the Bonds or the status of the Bonds or the interest thereon as exempt from taxation in the State of Michigan and interest on the Bonds is excluded from gross income for federal income tax purposes (except as described under the heading "TAX MATTERS" herein), and (ii) proceedings relating to the Bonds are not pending or threatened by the Securities and Exchange Commission. The Bond Purchase Agreement further provides that the School District will provide to the Underwriters, within seven business days of the date of the Bond Purchase Agreement, an electronic copy of the Official Statement to enable the Underwriters to comply with the requirements of Rule 15c2-12(b)(4) under the Securities Exchange Act of 1934, as amended.

Stifel and its affiliates comprise a full-service financial institution engaged in activities which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Stifel and its affiliates may have provided, and may in the future provide, a variety of these services to the School District and to persons and entities with relationships with the School District, for which they received or will receive customary fees and expenses.

In the ordinary course of these business activities, Stifel and its affiliates may purchase, sell or hold a broad array of investments and actively traded securities, derivatives, loans and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the School District (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the School District.

Stifel and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire such assets, securities and instruments. Such investment and securities activities may involve securities and instruments of the School District.

### **MUNICIPAL ADVISOR'S OBLIGATION**

The School District has retained PFM Financial Advisors LLC, of Ann Arbor, Michigan, as municipal financial advisor (the "Municipal Advisor") in connection with the issuance of the Bonds. In preparing portions of the Official Statement, the Municipal Advisor has relied upon governmental officials and other sources which have access to relevant data, to provide accurate information for the Official Statement and the Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information. To the best of the Municipal Advisor's knowledge and belief, the information contained in the Official Statement, which it assisted in preparing, while it may be summarized, is complete and accurate. The Municipal Advisor is not a public accounting firm and has not been engaged by the School District to compile, review, examine or audit any information in the Official Statement in accordance with accounting standards.

The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities and therefore will not participate in the underwriting of the Bonds. PFM Financial Advisors LLC is registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board as a municipal advisor.

Requests for information concerning the School District should be addressed to PFM Financial Advisors LLC, 555 Briarwood Circle, Suite 333, Ann Arbor, Michigan 48108, telephone: (734) 994-9700.

### **CONTINUING DISCLOSURE**

Prior to delivery of the Bonds, the School District will execute a Continuing Disclosure Agreement (the "Agreement") for the benefit of the holders of the Bonds and the Beneficial Owners (as hereinafter defined under this caption only) to send certain information annually and to provide notice of certain events to certain information repositories pursuant to the requirements of Rule 15c2-12(b)(5) (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. "Beneficial Owner" means, under this caption only, any person, which has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including any person holding Bonds through nominees, depositories or any other intermediaries). The information to be provided on an annual basis, the events which will be noticed on an occurrence basis and the other terms of the Agreement, are set forth in "APPENDIX E: Form of Continuing Disclosure Agreement." Additionally, the School District shall provide certain annual financial information and operating data generally consistent with the information contained within the tables under the headings "ENROLLMENT - Historical Enrollment," "STATE AID PAYMENTS," "PROPERTY VALUATIONS - History of Valuations," "MAJOR TAXPAYERS," "SCHOOL DISTRICT TAX RATES - (Per \$1,000 of Valuation)," "TAX LEVIES AND COLLECTIONS," "RETIREMENT PLAN - Contribution to MPSERS," "LABOR RELATIONS," "DEBT STATEMENT - DIRECT DEBT," in APPENDIX A, and the General Fund Budget Summary in APPENDIX B.

A failure by the School District to comply with the Agreement will not constitute an event of default under the Resolutions and Beneficial Owners of the Bonds are limited to the remedies described in the Agreement. A failure by the School District to comply with the Agreement must be reported by the School District in accordance with the Rule and must be considered by any broker, dealer or municipal securities

dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

The School District has not, in the previous five years, failed to comply in any material respect with any previous continuing disclosure agreements executed by the School District pursuant to the Rule.

**OTHER MATTERS**

All information contained in this Official Statement, in all respects, is subject to the complete body of information contained in the original sources thereof. In particular, no opinion or representation is rendered as to whether any projection will approximate actual results, and all opinions, estimates and assumptions, whether or not expressly identified as such, should not be considered statements of fact.

The School District certifies that to its best knowledge and belief, this Official Statement, insofar as it pertains to the School District and its economic and financial condition, is true and correct as of the date of this Official Statement, and does not contain, nor omit, any material facts or information which would make the statements contained herein misleading.

NORTHVILLE PUBLIC SCHOOLS  
COUNTIES OF WAYNE, OAKLAND AND WASHTENAW  
STATE OF MICHIGAN

By: \_\_\_\_\_  
Its: Superintendent of Schools

# APPENDIX A<sup>1</sup>

## NORTHVILLE PUBLIC SCHOOLS

### GENERAL FINANCIAL, ECONOMIC AND SCHOOL INFORMATION

#### LOCATION AND AREA

Northville Public Schools (the "School District") encompasses an area of approximately 26.1 square miles, including portions of three counties in southeastern lower Michigan. It includes all of the City of Northville in Wayne and Oakland Counties, a portion of the Township of Northville in Wayne County, all of the Township of Novi, a portion of the City of Novi and a portion of Lyon Township in Oakland County, and a portion of the Township of Salem in Washtenaw County.

The School District is located the following distances from these commercial and industrial areas:

- 20 miles northeast of Ann Arbor
- 30 miles northwest of Detroit
- 45 miles south of Flint
- 60 miles southeast of Lansing

#### POPULATION

The U.S. Census reported and 2024 estimated populations for the School District, the City of Northville and the County of Wayne are as follows:

	School District	City of Northville	County of Wayne
2024 Estimate	41,033	6,069	1,772,259
2020 U.S. Census	42,148	6,119	1,793,561
2010 U.S. Census	37,504	5,970	1,820,584

Source: U.S. Census Bureau via [data.census.gov](https://data.census.gov) website

#### BOARD OF EDUCATION

The Board of Education (the "Board") consists of seven members who are elected at large and serve overlapping terms. The Board annually elects a President, Vice President, Treasurer and Secretary. The Board is responsible for the selection and appointment of the Superintendent of Schools. The Board meets as a single body to set or amend policy, develop long-range educational goals and act upon recommendations of the Superintendent of Schools. The Board is also responsible for adopting and periodically amending the operating budget and evaluating school programs in accordance with governing laws.

#### ENROLLMENT

##### Historical Enrollment

Historical fall enrollment for the School District is as follows:

School Year End 30-Jun	Full-time Equivalent	Change	School Year End 30-Jun	Full-time Equivalent	Change
2026	7,089	0.61%	2021	7,097	-3.81%
2025	7,046	0.95	2020	7,378	0.03
2024	6,980	-2.16	2019	7,376	-1.42
2023	7,134	0.65	2018	7,482	-0.04
2022	7,088	-0.13	2017	7,485	--

<sup>1</sup>Information included in APPENDIX A of this Official Statement was obtained from the School District unless otherwise noted.

2025/2026 Fall Count

Kindergarten	488	7 <sup>th</sup>	568
1 <sup>st</sup>	414	8 <sup>th</sup>	548
2 <sup>nd</sup>	417	9 <sup>th</sup>	608
3 <sup>rd</sup>	498	10 <sup>th</sup>	583
4 <sup>th</sup>	514	11 <sup>th</sup>	653
5 <sup>th</sup>	519	12 <sup>th</sup>	651
6 <sup>th</sup>	562	Subtotal	7,023
		Special Ed.	66
		Total	<u>7,089</u>

Source: School District and Michigan Department of Education via website [www.michigan.gov](http://www.michigan.gov)

**SCHOOL DISTRICT FACILITIES**

The following is a table showing the existing School District facilities.

Facility	Grades Served	Year Built	Last Remodel/Addition	Type of Construction
<i>Elementary Schools:</i>				
Amerman	K - 5	1955	2026	Masonry
Moraine	K - 5	1965	2003	Masonry
Ridge Wood	K - 5	2003	2005	Masonry
Silver Springs	K - 5	1974	2006	Masonry
Thornton Creek	K - 5	1992	2001	Masonry
Winchester	K - 5	1974	2006	Masonry
<i>Middle Schools:</i>				
Hillside	6 - 8	1959	2021	Masonry
Meads Mills	6 - 8	1974	2016	Masonry
<i>High School:</i>				
Northville	9 - 12	2000	2019	Masonry
<i>Additional Facilities:</i>				
Old Village	Early Childhood & Central Office	1916	2018	Masonry
Cooke	Special Ed.	1965	1970	Masonry

**OTHER SCHOOLS**

The following private, charter, or parochial schools are located within the School District's boundaries:

Name of School	Grades Served	Approximate Enrollment
Northville Christian School	P - 8	352
Our Lady of Victory Catholic School	K - 8	420
St. Paul Lutheran School	P - 8	72
		<u>844</u>

Source: 2026 Michigan Education Directory

**STATE AID PAYMENTS**

The School District's primary source of funding for operating costs is the State School Aid per pupil foundation allowance. Public Act 15 of 2025 set the target foundation allowance at \$10,050 for fiscal year 2025/2026.

In future years, this allowance may be adjusted by an index based upon the change in revenues to the state school aid fund and the change in the total number of pupils statewide. The State may reduce State School Aid appropriations at any time if the State's revenues do not meet budget expectations. See "SOURCES OF SCHOOL OPERATING REVENUE" herein for additional information.

The following table shows a five-year history and a current year estimate of the School District’s total state aid revenues, including categoricals and other amounts, and the per pupil state aid foundation allowance, which reflects the changes in sources of school operating revenue described herein:

Fiscal Year End 30-Jun	Foundation Allowance per Pupil	Total State Aid Payments <sup>1</sup>	Blended Pupil Count	Amount Received per Pupil <sup>2</sup>
2026	\$10,050	\$85,467,113 <sup>3</sup>	7,084.58 <sup>3</sup>	\$12,064 <sup>3</sup>
2025	9,608	83,888,729	7,042.36	11,912
2024	9,608	84,924,090	6,996.58	12,138
2023	9,150	81,993,643	7,130.52	11,499
2022	8,700	69,269,835	7,090.93	9,769
2021	8,529	71,663,949 <sup>4</sup>	7,315.06	9,797 <sup>4</sup>

<sup>1</sup>Includes payments received for MPSERS UAAL rate stabilization. See “RETIREMENT PLAN - Contribution to MPSERS” herein.

<sup>2</sup>Represents the “Total State Aid Payments” divided by the “Blended Pupil Count”.

<sup>3</sup>Preliminary estimate, subject to change.

<sup>4</sup>Public Act 165 of 2020 restored the State school aid reductions contained in Public Act 146 of 2020 for the 2020/21 fiscal year, added a onetime \$65 per pupil payment and added other appropriations for qualifying school districts.

Source: Michigan Department of Education via website [www.michigan.gov](http://www.michigan.gov)

## PROPERTY VALUATIONS

In accordance with Act No. 539, Public Acts of Michigan, 1982, and Article IX, Section 3 of the Michigan Constitution, the ad valorem State Equalized Valuation (SEV) represents 50% of true cash value. SEV does not include any value of tax exempt property (e.g. churches, governmental property) or property granted tax abatements under Act No. 198, Public Acts of Michigan, 1974, as amended. **Since 1994, ad valorem property taxes are assessed on the basis of Taxable Value, which is subject to assessment caps. SEV is used in the calculation of debt margin and true cash value.** See “TAX PROCEDURES” herein for further information.

Taxable property in the School District is assessed by the local municipal assessor, and is subject to review by the County Equalization Departments.

### History of Valuations

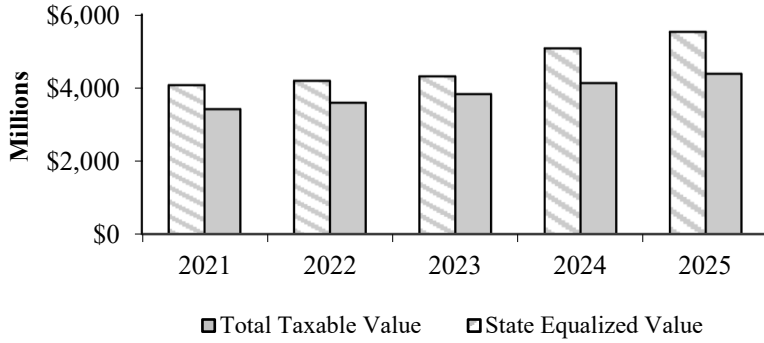
A history of the property valuations in the School District is shown below:

Year	Principal Residence <sup>1</sup>	Non- Principal Residence <sup>1</sup>	Total Taxable Value	Percent Change	State Equalized Value	Percent Change
2025	\$3,677,637,316	\$702,304,207	\$4,379,941,523	6.13%	\$5,525,599,929	8.84%
2024	3,473,434,465	653,414,705	4,126,849,170	7.89	5,077,026,501	17.78
2023	3,223,150,577	601,930,179	3,825,080,756	6.54	4,310,452,674	2.88
2022	3,015,505,981	574,671,398	3,590,177,379	5.15	4,189,626,200	2.93
2021	2,928,845,635	485,465,827	3,414,311,462	----	4,070,411,540	----

<sup>1</sup>All industrial personal property is included in the principal residence tax base. While commercial personal property continues to be included in the non-principal residence tax base, it is exempt from 12 of the 18 operating mills levied on non-principal residence property only. In 2025, industrial personal property had a taxable value of \$11,862,650 and commercial personal property had a taxable value of \$25,830,090 in the School District.

Source: Wayne, Oakland and Washtenaw Counties Equalization Departments

### History of Valuations



### Annual Equivalent Valuation

A summary of the 2025 valuation is as follows:

2025 Taxable Value	\$4,379,941,523
Plus: 2025 Equivalent IFT Taxable Value <sup>1</sup>	607,450
Total 2025 Equivalent Taxable Value	<u>\$4,380,548,973</u>
Less: 2025 Disabled Veterans Exemption Taxable Value <sup>2</sup>	(12,058,929)
Net 2025 Annual Equivalent Valuation	<u><u>\$4,368,490,044</u></u>

<sup>1</sup>See “INDUSTRIAL FACILITY TAX ABATEMENTS” herein.

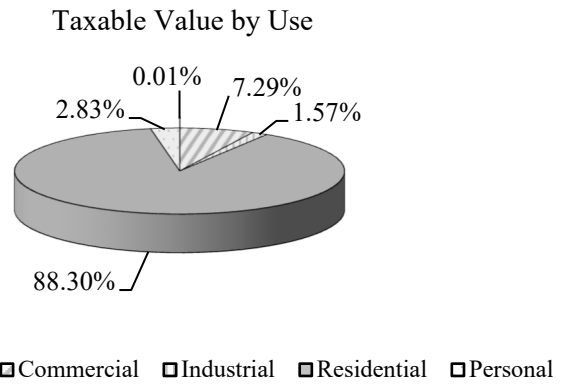
<sup>2</sup>Represents value which is exempt from taxes pursuant to Michigan’s General Property Tax Act Section 7b, MCL 211.7b, which states real property used and owned as a homestead by either (1) a disabled veteran who was discharged from the United States armed forces under honorable conditions or (2) the disabled veteran’s un-remarried, surviving spouse is exempt from property taxes, subject to certain application requirements.

Source: Wayne, Oakland and Washtenaw Counties Equalization Departments

### Tax Base Composition

A breakdown of the School District’s 2025 Taxable Value by class and use is as follows:

	2025 Taxable Value	Percent of Total
<b>By Class:</b>		
Real Property	\$4,256,119,793	97.17%
Personal Property	123,821,730	2.83
<b>TOTAL</b>	<u><u>\$4,379,941,523</u></u>	<u><u>100.00%</u></u>
<b>By Use:</b>		
Agricultural	\$637,707	0.01%
Commercial	319,192,177	7.29
Industrial	68,569,385	1.57
Residential	3,867,720,524	88.30
Personal	123,821,730	2.83
<b>TOTAL</b>	<u><u>\$4,379,941,523</u></u>	<u><u>100.00%</u></u>



A breakdown of the School District’s 2025 Taxable Value by municipality is as follows:

<u>Municipality</u>	<u>2025 Taxable Value</u>	<u>Percent of Total</u>
<i>County of Wayne</i>		
Northville Township	\$2,764,563,440	63.12%
City of Northville	342,330,544	7.82
<i>County of Oakland</i>		
Lyon Township	126,703,900	2.89
Novi Township	12,125,730	0.28
City of Northville	233,356,905	5.33
City of Novi	865,174,900	19.75
<i>County of Washtenaw</i>		
Salem Township	35,686,104	0.81
<b>TOTAL</b>	<b><u>\$4,379,941,523</u></b>	<b><u>100.00%</u></b>

Source: Wayne, Oakland and Washtenaw Counties Equalization Departments

## **INDUSTRIAL FACILITY TAX ABATEMENTS**

Under the provisions of Act 198 of the Public Acts of Michigan, 1974 (“Act 198”), plant rehabilitation districts and/or industrial development districts may be established. Businesses in these districts are offered certain property tax incentives to encourage restoration or replacement of obsolete facilities and to attract new facilities to the area. An industrial facilities tax (“IFT”) is paid, at a lesser effective rate and in lieu of ad valorem property taxes, on such facilities for a period of up to 12 years. Qualifying facilities are issued abatement certificates for specific periods.

After expiration of the abatement certificate, the then-current SEV of the facility is returned to the ad valorem tax roll. The owner of such facility may obtain a new certificate, provided it has complied with the provisions of Act 198.

The 2025 Taxable Value for the properties which have been granted IFT abatements within the School District’s boundaries is \$1,214,900, all of which is taxed at ½ rate. For purposes of computing “Equivalent” Taxable Value, it has been shown in the “History of Valuations” section as 50% of the Taxable Value.

Source: Wayne, Oakland and Washtenaw Counties Equalization Departments

## **TAX INCREMENT AUTHORITIES**

Act 57 of the Public Acts of Michigan, 2018, as amended (the “Recodified Tax Increment Financing Act”) and Act 381 of the Public Acts of Michigan, 1996, as amended (the “Brownfield Act”) (together the “TIF Acts”) authorize the designation of specific districts known as Tax Increment Finance Authority (“TIFA”) Districts, Downtown Development Authority (“DDA”) Districts, Local Development Finance Authority (“LDFA”) Districts, Corridor Improvement Authority (“CIA”) Districts or Brownfield Redevelopment Authority (“BRDA”) Districts, which are authorized to formulate tax increment financing plans for public improvements, economic development, neighborhood revitalization, historic preservation and environmental cleanup within the district.

Tax increment financing permits the TIFA, DDA, LDFA, CIA or BRDA to capture tax revenues attributable to increases in value (“TIF Captured Value”) of real and personal property located within an approved development area while any tax increment financing plans by an established district are in place. These captured revenues are used by the district and are not passed on to the local taxing jurisdictions.

The City of Northville has one DDA district within the School District’s boundaries. The DDA district does not capture the School District’s operating, debt or sinking fund millage levies.

The Township of Northville has one BRDA district within the School District’s boundaries. The BRDA district captures the School District’s operating millage, but not the School District’s debt or sinking fund millage levies.

Source: Township of Northville and the City of Northville Finance Director/Treasurer

## MAJOR TAXPAYERS

Shown below are the ten largest taxpayers in the School District based on their 2025 total valuation subject to taxation.

Taxpayer	Product/Service	2025 Taxable Value
Detroit Edison	Utility	\$43,572,884
Consumers Energy	Utility	36,016,901
Park Place Apts. Property Owner LLC	Apartments	29,910,525
Willow Pines Retirement Community	Senior Living Facility	19,348,714
Reis-MOB 1 LLC	Real Estate	14,750,609
Arbor Hills Landfill, Inc.	Landfill	12,567,093
Toll Northeast V Corp d/b/a Northville Downs	Real Estate	12,165,600
Northville Woods Acquisition LLC	Apartments	11,252,848
Kings Mill Cooperative	Co-Op Housing	9,168,200
IPTS	Developer	8,212,440
<b>TOTALS</b>		<b>\$196,965,814</b>
Total 2025 Taxable Value		<b>\$4,379,941,523</b>
Top 10 Taxpayers as a % of 2025 Total Taxable Value		<b>4.50%</b>

Source: Wayne, Oakland and Washtenaw Counties Equalization Departments

## CONSTITUTIONAL MILLAGE ROLLBACK

Article IX, Section 31 of the Michigan Constitution (also referred to as the “Headlee Amendment”) requires that if the total value of existing taxable property (Taxable Valuation) in a local taxing unit, exclusive of new construction and improvements, increases faster than the U.S. Consumer Price Index from one year to the next, the maximum authorized tax rate for that local taxing unit must be reduced through a Millage Reduction Fraction unless new millage is authorized by a vote of the electorate of the local taxing unit.

## SCHOOL DISTRICT TAX RATES - (Per \$1,000 of Valuation)

The following table shows the total School District tax rates for the past five years.

	2025	2024	2023	2022	2021
Operating – Voted	18.0000	18.0000	18.0000	18.0000	18.0000
Debt	3.4000	3.4000	3.4000	3.4000	3.6400
Sinking Fund	0.9240	0.9357	0.9396	0.9396	0.9416
Total Non-Principal Residence	22.3240	22.3357	22.3396	22.3396	22.5816
Total Principal Residence	4.3240	4.3357	4.3396	4.3396	4.5816

The School District levies voted operating millage on non-principal residence property and sinking fund millage and authorized debt millage on all taxable property within the School District. The voted operating millage expires with the 2026 levy. The School District is asking its electors to consider a new voted operating millage at an election to be held on August 4, 2026. The sinking fund millage expires with the 2035 levy.

## OTHER JURISDICTIONS' TAX RATES - (Per \$1,000 of Valuation)

The following table provides the 2025 and 2024 tax rates for select units of government that overlap with the School District's boundaries.

	2025	2024
State Education Tax	6.0000	6.0000
Wayne County	7.7063	7.7468
Oakland County	5.5169	5.5503
Washtenaw County	7.3157	7.3433
Northville Township	8.2473	8.3509
City of Northville	14.9094	15.2138
Lyon Township	8.0306	7.6364
Novi Township	3.5750	3.6241
City of Novi	10.5376	10.5376
Wayne RESA <sup>1</sup>	5.3800	5.4092
Schoolcraft Community College	2.2700	2.2700
Northville District Library	1.0796	1.0926
Salem-South Lyon District Library	1.4858	1.5059

<sup>1</sup>Includes a voter approved enhancement millage of 1.9708 mills. The School District expects to receive approximately \$2,840,000 in fiscal year 2025/26 from the regional enhancement millage based on its pupil membership count.

Source: Wayne, Oakland and Washtenaw Counties Equalization Departments and School District

## TAX LEVIES AND COLLECTIONS

The School District's fiscal year begins July 1 and ends June 30. School District property taxes are due July 1 and December 1 of each fiscal year and are payable without interest on or before the following September 14 and February 14, respectively, and without penalty on or before the following February 14. All real property taxes remaining unpaid on March 1 of the year following the levy are turned over to the County Treasurers for collection. Wayne, Oakland and Washtenaw Counties (the "Counties") annually pay from their Delinquent Tax Revolving Fund delinquent taxes on real property to all taxing units in the Counties, including the School District, shortly after the date delinquent taxes are returned to the County Treasurers for collection.

A history of tax levies and collections for the School District is as follows:

Levy Year	Operating Tax Levy	Collections to March 1, Each Year		Collections Plus Funding to June 30, Each Year	
2025	\$11,357,034*	\$10,841,195	95.46%	N/A	
2024	10,797,561	10,566,498	97.86	\$10,797,561	100.00%
2023	9,963,321	9,821,971	98.58	9,821,971	98.58
2022	9,714,270	9,279,240	95.52	9,416,850	96.94
2021	9,411,729	8,908,426	94.65	9,361,858	99.47
2020	9,337,984	8,676,139	92.91	9,044,085	96.85

\*Estimated.

## RETIREMENT PLAN

For the period October 1 through September 30, the School District pays an amount equal to a percentage of its employees' wages to the Michigan Public School Employees Retirement System ("MPERS"), which is a statewide retirement plan for employees of Michigan public schools administered by the State of Michigan. These contributions are established and required by law and are calculated by using the contribution rates as determined annually by the State.

MPERS is a cost-sharing, multi-employer, statewide plan. Pension benefits, and retiree health benefits, are established by law and funded through employer contributions. The cost of retiree health benefits is funded annually on a pay-as-you-go basis, with retirees paying some of the costs. Current year liability for retiree health benefits is reflected in the figures provided below. Further information regarding MPERS, including retiree health benefits, can be found at [www.michigan.gov/orsschools](http://www.michigan.gov/orsschools).

Public Act 75 of 2010 ("Act 75") significantly modified MPERS and among other provisions required all employees hired after July 1, 2010 to participate in a new Pension Plus Plan which provides a combined defined benefit and defined contribution structure. Public Act 92 of 2017 ("Act 92") further modified MPERS for all employees hired on or after February 1, 2018. Act 92 requires all employees hired on or after February 1, 2018 to elect to participate in a new 401(k) style defined contribution plan or a new hybrid plan with different assumptions and cost sharing.

Contribution to MPSERS

The School District’s estimated annual contribution to MPSERS for the 2025-26 fiscal year and the previous four fiscal years are shown below:

Fiscal Year Ended 30-Jun	Pension Amount	Health Care Amount	Total Amount	State Aid MPSERS Direct Offset Payments <sup>2</sup>
2026 <sup>1</sup>	\$22,400,000	\$4,400,000	\$26,800,000	\$8,373,524
2025	21,970,014	1,617,316	23,587,330	6,725,335
2024	21,498,014	4,293,719	25,791,733	9,969,073
2023	24,283,806	4,011,751	28,295,557	14,334,322
2022	18,053,891	4,005,438	22,059,329	8,293,500

<sup>1</sup>Estimated.

<sup>2</sup>Represents the amount the School District received in state aid categorical revenue (Section 147c MPSERS UAAL Rate Stabilization and One-Time Deposits) to directly pay for a portion of the School District’s MPSERS unfunded liability. This amount is included in the Total Amount shown in the table above.

Effective for fiscal years beginning after June 15, 2014, GASB Statement 68 requires all reporting units in a multi-employer cost sharing pension plan to record a balance sheet liability for their proportionate share of the net pension liability of the plan. The School District implemented GASB 68 in its year ended June 30, 2015 financial statements. In its June 30, 2025 financial statements, the School District reported a proportionate share of the net pension liability of \$124,043,211 as of September 30, 2024.

Effective for fiscal years beginning after June 15, 2017, GASB Statement 75 requires all reporting units in a multi-employer cost sharing OPEB plan to record a balance sheet liability for their proportionate share of the net OPEB liability of the plan. The School District implemented GASB 75 in its year ended June 30, 2018 financial statements. In its June 30, 2025 financial statements, the School District reported a proportionate share of the net OPEB asset of \$21,602,349 as of September 30, 2024.

For additional information regarding the Pension Plan and Postemployment Benefits Other than Pensions (OPEB), see the Notes to the Financial Statements in the School District’s audited financial statements in APPENDIX C.

Source: Audited Financial Statements and School District

**LABOR RELATIONS**

The School District has labor agreements with the following employee groups. The agreements all provide for complete and comprehensive salary, wage, fringe benefit and working conditions provisions. The number of employees and duration of the agreements are as follows:

Employee Group	No. of Employees	Affiliation	Exp. Date of Contract
Teachers (K-12 and SEP)	452	Northville Education Association	08/23/27
Administrators (building)	18	Northville Assn. School Administrators	06/30/26*
Central Office Administrators	12	Non-Affiliated	N/A
Paraprofessionals (K-12)	74	Northville Paraprofessional Assn.	06/30/27
Para Educators	53	Northville Federation of Para Educators	08/23/26*
Clerical	43	Non-Affiliated	N/A
Maintenance + Food Service	68	Non-Affiliated	N/A
Early Childhood & Extended Day Programs	135	Non-Affiliated	N/A
<b>TOTAL</b>	<b>855</b>		

\*In negotiations.

The School District has not experienced a strike by any of its bargaining units within the past ten years.

**DEBT STATEMENT\* - (As of 05/26/26 – including the Bonds described herein)**

**DIRECT DEBT:**

<u>Dated Date</u>	<u>Purpose</u>	<u>Bond Type</u>	<u>Final Maturity</u>	<u>Principal Outstanding</u>
02/06/18	Building & Site, Series I	UTNQ	05/01/27	\$2,550,000
03/19/19	Building & Site, Series II	UTNQ	05/01/43	42,865,000
06/25/20	Building & Site, Series III	UTNQ	05/01/43	18,110,000
06/22/23	Building & Site, Series I	UTNQ	05/01/45	56,535,000
<u>/ / 26</u>	<u>Building &amp; Site, Series II</u>	<u>UTNQ</u>	<u>05/01/48</u>	<u>63,470,000*</u>
<b>NET DIRECT DEBT</b>				<b>\$183,530,000*</b>

**OVERLAPPING DEBT:**

<u>Percent Share</u>	<u>Municipality</u>	<u>Net Debt</u>	<u>District's Share</u>
100.00%	Northville City	\$14,645,000	\$14,645,000
16.49	Novi City	33,580,000	5,537,342
5.85	Lyon Township	32,915,000	1,925,528
91.79	Northville Township	18,831,805	17,285,714
100.00	Novi Township	0	0
6.66	Salem Township	0	0
1.46	Oakland County	86,898,440	1,268,717
0.15	Washtenaw County	6,105,308	9,158
5.17	Wayne County	521,825,375	26,978,372
7.16	Wayne RESA	0	0
21.68	Schoolcraft Community College	36,780,000	7,973,904
93.10	Northville District Library	0	0
3.32	Salem-South Lyon District Library	530,000	17,596
<b>TOTAL OVERLAPPING DEBT</b>			<u>75,641,331</u>
<b>NET DIRECT AND OVERLAPPING DEBT</b>			<u><u>\$259,171,331*</u></u>

\*Preliminary, subject to change.

Source: *Municipal Advisory Council of Michigan*

**OTHER DEBT**

The School District has no short-term borrowing outstanding.

**DEBT HISTORY**

The School District has no record of default on its obligations.

**FUTURE FINANCING**

The School District does not have plans for any capital financings in the next 12 months.

**DEBT RATIOS\***

Estimated School District Population	41,033
2025 Taxable Value	\$4,379,941,523
2025 State Equalized Value (SEV)	\$5,525,599,929
2025 True Cash Value (TCV)	\$11,051,199,858
Per Capita 2025 Taxable Value	\$106,741.93
Per Capita 2025 State Equalized Value	\$134,662.34
Per Capita 2025 True Cash Value	\$269,324.69
Per Capita Net Direct Debt	\$4,472.74
Per Capita Net Direct and Overlapping Debt	\$6,316.17
Percent of Net Direct Debt of 2025 Taxable Value	4.19%
Percent of Net Direct and Overlapping Debt of 2025 Taxable Value	5.92%
Percent of Net Direct Debt of 2025 SEV	3.32%
Percent of Net Direct and Overlapping Debt of 2025 SEV	4.69%
Percent of Net Direct Debt of 2025 TCV	1.66%
Percent of Net Direct and Overlapping Debt of 2025 TCV	2.35%

\*Preliminary, subject to change.

**LEGAL DEBT MARGIN\* - (As of 05/26/26 – including the Bonds described herein)**

2025 State Equalized Value		\$5,525,599,929
Legal Debt Limit - 15% of SEV		\$828,839,989
Total Bonded Debt Outstanding	\$183,530,000	
Less: SLRF Qualified Bonds <sup>1</sup>	<u>0</u>	
Net Amount Subject to Legal Debt Limit		<u>183,530,000</u>
<b>LEGAL DEBT MARGIN AVAILABLE</b>		<b><u><u>\$645,309,989</u></u></b>

\*Preliminary, subject to change.

<sup>1</sup>Section 1351(3) of Act 451, Public Acts of Michigan, 1976, as amended, provides that the bonded indebtedness of a school district shall not exceed 15% of the total assessed valuation of the district. Bonds not included in the computation of the legal debt margin are (1) any bond qualified under Article IX, Section 16 of the Michigan Constitution of 1963, and (2) deficit budget bonds as authorized under Section 1356. In addition, Section 605 of Act 34, Public Acts of Michigan, 2001, as amended, provides, in relevant part, that debt evidenced by a refunding security shall not be deemed to be within any statutory or charter limitation of outstanding debt limit.

## EMPLOYMENT CHARACTERISTICS

Listed below are the largest employers that are located within the School District and Wayne County:

Employer	Product or Service	Approx. No. of Employees
<i>Within the School District</i>		
ZF Group North American Operations (HQ)	Automotive Components	1,200
Northville Public Schools	Education	855
Meijer	Retail & Grocery	500
Tenneco, Inc.	Automotive Parts	400
HELLA Corporate Center USA, Inc.	Automotive Accessories	350
Cooper Standard	Automotive Components	320
Royal Truck & Utility Trailer	Trailer Sales, Services & Parts	220
BB&E Consulting Engineers & Professionals	Engineering Consultant	200
Belanger Inc.	Auto Wash Machinery	150
DataFactZ, LLC	Software Company	130
Infotronics, Inc.	Employee Attendance Systems	110
Mitsubishi Electric Automotive	Parts & Equipment	100
<i>Within the County of Wayne</i>		
Henry Ford Health System	Healthcare	49,882
Ford Motor Company	Automotive	47,750
General Motors Co.	Automotive	38,042
Stellantis NV (formerly FCA US LLC)	Automotive	34,145
U.S. Government	Government	24,485
Trinity Health Michigan	Healthcare	17,179
Amazon	E-commerce & Distribution	14,897
City of Detroit	Government	10,181
Rocket Companies, Inc.	Investment & Real Estate	9,920
Detroit Public Schools Com. District	Education	6,916
Corewell Health (formerly BSHS System)	Healthcare	6,895
Detroit Medical Center	Healthcare	6,766
Wayne State University	Higher Education	4,212

Source: 2025 Michigan Manufacturers Directory, Crain's Detroit Business Book of Lists 2026 edition, MEDC website via [www.michiganbusiness.org](http://www.michiganbusiness.org), and individual employers.

## EMPLOYMENT BREAKDOWN

The U.S. Census Bureau, 2020-2024 American Community Survey reports the occupational breakdown of persons 16 years and over for the City of Northville and the County of Wayne as follows:

PERSONS BY OCCUPATION	City of Northville		County of Wayne	
	Number	Percent	Number	Percent
	3,143	100.00%	757,073	100.00%
Management, Business, Science & Arts	2,113	67.23	281,362	37.16
Service	302	9.61	133,484	17.63
Sales & Office	530	16.86	148,981	19.68
Natural Resources, Construction & Maintenance	96	3.05	52,373	6.92
Production, Transportation & Material Moving	102	3.25	140,873	18.61

The U.S. Census Bureau, 2020-2024 American Community Survey reports the breakdown by industry for persons 16 years and over for the City of Northville and the County of Wayne as follows:

PERSONS BY INDUSTRY	City of Northville		County of Wayne	
	Number	Percent	Number	Percent
	3,143	100.00%	757,073	100.00%
Agriculture, Forestry, Fishing, Hunting & Mining	6	0.19	2,206	0.29
Construction	154	4.90	36,598	4.83
Manufacturing	586	18.64	134,550	17.77
Wholesale Trade	48	1.53	14,681	1.94
Retail Trade	223	7.10	78,553	10.38
Transportation, Warehousing & Utilities	86	2.74	54,208	7.16
Information	65	2.07	9,820	1.30
Finance, Insurance & Real Estate	308	9.80	45,399	6.00
Professional, Scientific & Management Services	697	22.17	83,049	10.97
Educational, Health & Social Services	665	21.15	172,168	22.74
Arts, Entertainment, Recreation & Food Services	159	5.06	67,831	8.96
Other Services except Public Administration	87	2.77	31,735	4.19
Public Administration	59	1.88	26,275	3.47

## UNEMPLOYMENT

The U.S. Department of Labor, Bureau of Labor Market Statistics, reports unemployment averages for the County of Wayne as compared to the State of Michigan as follows:

Annual Average	County of Wayne	State of Michigan
March, 2026	6.3%	5.1%
2025	6.0	5.2
2024	5.5	4.7
2023	4.3	3.9
2022	4.7	4.2

## POPULATION BY AGE

The U.S. Census Bureau, 2020-2024 American Community Survey reports the breakdown of population by age for the City of Northville and the County of Wayne as follows:

	City of Northville		County of Wayne	
	Number	Percent	Number	Percent
Total Population	6,069	100.00%	1,772,259	100.00%
0 through 19 years	1,320	21.75	458,740	25.88
20 through 64 years	3,479	57.32	1,019,996	57.55
65 years and over	1,270	20.93	293,523	16.57
Median Age	47.0 years		37.9 years	

## INCOME

The U.S. Census Bureau, 2020-2024 American Community Survey reports the breakdown of household income for the City of Northville and the County of Wayne as follows:

HOUSEHOLDS BY INCOME	City of Northville		County of Wayne	
	Number	Percent	Number	Percent
	2,620	100.00%	700,591	100.00%
Less than \$ 10,000	87	3.32	56,548	8.07
\$ 10,000 to \$ 14,999	22	0.84	41,408	5.91
\$ 15,000 to \$ 24,999	72	2.75	59,397	8.48
\$ 25,000 to \$ 34,999	60	2.29	55,409	7.91
\$ 35,000 to \$ 49,999	99	3.78	87,121	12.44
\$ 50,000 to \$ 74,999	212	8.09	111,629	15.93
\$ 75,000 to \$ 99,999	365	13.93	81,540	11.64
\$100,000 to \$149,999	428	16.34	104,690	14.94
\$150,000 to \$199,999	445	16.98	48,380	6.91
\$200,000 or MORE	830	31.68	54,469	7.77
Median Income	\$145,530		\$60,539	

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**APPENDIX B**  
**GENERAL FUND BUDGET SUMMARY AND**  
**COMPARATIVE FINANCIAL STATEMENTS**

**Northville Public Schools**  
**General Fund Budget Summary**

	As Amended 2025/26
<b>Revenue</b>	
Local Sources	\$15,253,036
State Sources	80,315,490
Federal Sources	2,079,097
Interdistrict	5,049,258
Incoming Transfers & Other Transactions	1,105,000
<b>Total Revenue</b>	<b>\$103,801,881</b>
<b>Expenditures</b>	
Instructional Services	
Basic Program	\$56,219,251
Added Needs	10,636,956
Support	
Pupil	7,563,258
Instructional Staff	4,734,985
General Administration	1,074,315
School Administration	5,131,699
Business Services	1,189,338
Operation & Maintenance	10,068,581
Transportation	3,999,907
Central Services	2,858,728
Athletics	1,520,528
Community Services	307,972
Capital Improvements	900,920
<b>Total Expenditures</b>	<b>\$106,206,438</b>
<b>Excess of Expenditures (over) under Revenues</b>	<b>(\$2,404,557)</b>
<b>Beginning Fund Balance - July 1</b>	<b>\$33,350,439</b>
<b>Projected Fund Balance - June 30</b>	<b>\$30,945,882</b>

*Source: School District*

**Northville Public Schools  
General Fund  
Comparative Balance Sheet**

	For Fiscal Years Ended June 30th		
	2023	2024	2025
<b>Assets</b>			
Cash and Investments	\$29,336,033	\$35,198,494	\$38,959,026
Receivables			
Other Receivables	494,289	12,293	82,664
Due from Other Governmentals	20,918,817	20,658,743	16,862,123
Due from Other Funds	278,962	2,475,296	1,768,134
Prepaid Expenses	332,408	255,646	318,575
<b>Total Assets</b>	<u>\$51,360,509</u>	<u>\$58,600,472</u>	<u>\$57,990,522</u>
<b>Liabilities</b>			
Accounts Payable	\$1,110,967	\$1,667,311	\$947,363
Accrued Liabilities and Other	9,320,548	9,568,666	11,388,650
Due to Other Governmental Units	2,607,413	1,813,374	1,223,338
Due to Other Funds	6,141,721	8,656,176	7,751,423
Unearned revenue	3,115,290	3,781,900	3,329,309
<b>Total Liabilities</b>	<u>\$22,295,939</u>	<u>\$25,487,427</u>	<u>\$24,640,083</u>
<b>Fund Balance</b>			
Nonspendable	\$332,408	\$255,646	\$318,575
Assigned	888,722	4,384,918	3,735,401
Unassigned	27,843,440	28,472,481	29,296,463
<b>Total Fund Balance</b>	<u>\$29,064,570</u>	<u>\$33,113,045</u>	<u>\$33,350,439</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$51,360,509</u>	<u>\$58,600,472</u>	<u>\$57,990,522</u>

Source: Audited Financial Statements

**Northville Public Schools**  
**General Fund**  
**Comparative Statement of Revenues,**  
**Expenditures and Changes in Fund Balance**

	For Fiscal Years Ended June 30th		
	2023	2024	2025
<b>Revenue</b>			
Local Sources	\$12,487,447	\$13,662,793	\$15,222,065
State Sources	74,925,289	76,412,831	75,331,912
Federal Sources	5,964,654	5,432,813	3,099,009
Interdistrict Sources	4,229,928	5,667,467	5,660,797
<b>Total Revenue</b>	<u>\$97,607,318</u>	<u>\$101,175,904</u>	<u>\$99,313,783</u>
<b>Expenditures</b>			
Current			
Instruction	\$64,127,836	\$61,545,203	\$62,685,756
Supporting Services			
Pupil	6,484,554	6,855,956	7,341,385
Instructional Staff	3,445,768	4,297,492	4,760,886
General Administration	1,053,324	1,013,206	938,687
School Administration	4,790,362	5,018,037	5,114,790
Business Services	972,381	933,835	1,059,913
Operation & Maintenance	7,993,112	8,846,481	8,770,292
Transportation	2,938,557	3,190,491	3,640,997
Central Services	2,554,678	2,619,609	2,706,919
Other	21,540	--	--
Athletics	1,086,966	1,148,474	1,300,820
Community Services	39,230	242,618	188,315
Capital Outlay	211,062	1,760,812	1,150,019
<b>Total Expenditures</b>	<u>\$95,719,370</u>	<u>\$97,472,214</u>	<u>\$99,658,779</u>
<b>Other Financing Sources (Uses)</b>			
Proceeds from Sale of Capital Assets	\$44,460	\$34,785	\$72,390
Operating Transfers In	945,000	310,000	510,000
<b>Total Other Financing Sources (Uses)</b>	<u>\$989,460</u>	<u>\$344,785</u>	<u>\$582,390</u>
<b>Excess of Revenue &amp; Other Sources Over (Under) Expenditures &amp; Other Uses</b>	\$2,877,408	\$4,048,475	\$237,394
<b>Fund Balance - Beginning</b>	<u>\$26,187,162</u>	<u>\$29,064,570</u>	<u>\$33,113,045</u>
<b>Fund Balance - Ending</b>	<u><u>\$29,064,570</u></u>	<u><u>\$33,113,045</u></u>	<u><u>\$33,350,439</u></u>

Source: Audited Financial Statements

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**APPENDIX C**  
**AUDITED FINANCIAL STATEMENTS**

The auditor was not requested to examine or review and therefore has not examined or reviewed any financial documents, statements or materials that have been or may be furnished in connection with the authorization, issuance or marketing of the Bonds and accordingly has not conducted any post-audit review procedures and will not express any opinion with respect to the accuracy or completeness of such financial documents, statements or materials.

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**Independent Auditor's Report**

To the Board of Education  
 Northville Public Schools

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

**Opinions**

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

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

**Basis for Opinions**

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

**Responsibilities of Management for the Financial Statements**

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

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

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

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

To the Board of Education  
 Northville Public Schools

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

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

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

**Required Supplementary Information**

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

**Supplementary Information**

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



To the Board of Education  
Northville Public Schools

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 21, 2025 on our consideration of Northville Public Schools' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Northville 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 Northville Public Schools' internal control over financial reporting and compliance.



October 21, 2025

## Northville Public Schools

### Management's Discussion and Analysis

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

**Using This Annual Report**

This annual report consists of a series of financial statements and notes to those financial statements. These statements are organized so the reader can understand Northville Public Schools financially as a whole. The government-wide financial statements provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. The fund financial statements provide the next level of detail. For governmental activities, these statements tell how services were financed in the short term and what remains for future spending. The fund financial statements look at the School District's operations in more detail than the government-wide financial statements by providing information about the School District's most significant funds, the General Fund, the Special Education Center Program Fund, and the 2023 Building and Site Bond Fund, with all other funds presented in one column as nonmajor funds. The School District's proprietary Internal Service Fund is reported separately from the governmental funds. The remaining statements, the statement of fiduciary net position and the statement of changes in fiduciary net position, present financial information about activities for which the School District acts solely as an agent for the benefit of students and parents. This report is composed of the following elements:

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

**Basic Financial Statements**

Government-wide Financial Statements

Fund Financial Statements

Notes to Financial Statements

**Required Supplementary Information**

Budgetary Comparison Schedule - General Fund

Budgetary Comparison Schedule - Major Special Revenue Fund

Schedule of Proportionate Share of the Net Pension Liability

Schedule of Pension Contributions

Schedule of Proportionate Share of the Net OPEB Liability (Asset)

Schedule of OPEB Contributions

**Supplementary Information**

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

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

## Northville Public Schools

### Management's Discussion and Analysis (Continued)

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

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

#### Reporting the School District's Fund Financial Statements

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

#### Governmental Funds

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

#### Proprietary Fund

Proprietary fund reporting focuses on the economic resources measurement and an accounting method called full accrual accounting. The proprietary fund statements present a long-term view of operations and the services it provides to other funds. The School District established a proprietary fund, specifically the Internal Service Fund, to finance specific services provided to other funds of the School District on a cost-reimbursement basis. The specific services represent health insurance benefits.

#### Fiduciary Funds

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

## Northville Public Schools

### Management's Discussion and Analysis (Continued)

#### The School District as a Whole

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

	Governmental Activities	
	2025	2024
	(in millions)	
<b>Assets</b>		
Current and other assets	\$ 150.3	\$ 142.5
Capital assets	194.0	184.1
Total assets	344.3	326.6
<b>Deferred Outflows of Resources</b>	40.7	57.3
<b>Liabilities</b>		
Current liabilities	23.3	21.3
Noncurrent liabilities	149.1	155.9
Net pension liability	124.0	168.0
Total liabilities	296.4	345.2
<b>Deferred Inflows of Resources</b>	75.1	53.7
<b>Net Position (Deficit)</b>		
Net investment in capital assets	94.7	95.0
Restricted	27.8	7.8
Unrestricted	(109.0)	(117.8)
Total net position (deficit)	\$ 13.5	\$ (15.0)

The above analysis focuses on net position. The change in net position of the School District's governmental activities is discussed below. The School District's net position was \$13.5 million at June 30, 2025. Net investment in capital assets totaling \$94.7 million compares the original cost, less depreciation of the School District's capital assets, to long-term debt used to finance the acquisition of those assets. Most of the debt will be repaid from voter-approved property taxes collected as the debt service comes due. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the School District's ability to use that net position for day-to-day operations. The remaining amount of net position, \$(109.0) million, was unrestricted.

The \$(109.0) million in unrestricted net position of governmental activities represents the accumulated results of all past years' operations and the impact of recording the School District's share of the net pension and OPEB liabilities (assets) from the state-managed retirement system. The unrestricted net position balance enables the School District to meet working capital and cash flow requirements and to provide for future uncertainties. The operating results of the General Fund and the change in the net pension/OPEB liabilities (assets) will have a significant impact on the change in unrestricted net position from year to year.

## Northville Public Schools

### Management's Discussion and Analysis (Continued)

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

	Governmental Activities	
	2025	2024
	(in millions)	
<b>Revenue</b>		
Program revenue:		
Charges for services	\$ 6.9	\$ 6.1
Operating grants	49.3	49.6
General revenue:		
Taxes	28.7	26.7
State aid not restricted to specific purposes	55.2	56.5
Other	9.7	9.9
Total revenue	149.8	148.8
<b>Expenses</b>		
Instruction	64.6	71.4
Support services	39.6	40.4
Athletics	1.2	1.1
Food services	4.3	4.4
Community services	4.3	4.8
Debt service	7.3	5.7
Total expenses	121.3	127.8
<b>Change in Net Position</b>	28.5	21.0
<b>Net Position (Deficit) - Beginning of year</b>	(15.0)	(36.0)
<b>Net Position (Deficit) - End of year</b>	<u>\$ 13.5</u>	<u>\$ (15.0)</u>

As reported in the statement of activities, the cost of all of our governmental activities this year was \$121.3 million. Certain activities were partially funded from those who benefited from the programs (\$6.9 million) or by other governments and organizations that subsidized certain programs with grants and contributions (\$49.3 million). We paid for the remaining public benefit portion of our governmental activities with \$28.7 million in taxes, \$55.2 million in state foundation allowance, and other revenue (i.e., interest and general entitlements).

The School District experienced an increase in net position of \$28.5 million, compared to an increase in net position of \$21.0 million in the previous year. On a year-over-year basis, total revenue increased by \$1.0 million. This was due to an increase in program revenue of \$0.5 million and an increase in general revenue of \$0.5 million. The increase in program revenue is attributed to various program fee increases. The increase in general revenue is attributed primarily to a \$2 million increase in tax revenue.

Total expenses decreased by \$6.5 million. This resulted mostly from a decrease in 147c(1) MPERS UAAL rate stabilization expenses.

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

#### The School District's Funds

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

## Northville Public Schools

### Management's Discussion and Analysis (Continued)

As the School District completed this year, the governmental funds reported a combined fund balance of \$99.4 million, which is a decrease of \$13.9 million from last year. The primary reasons for the decrease are as follows:

#### Bond and Debt Funds

The primary reason for the decrease in the combined governmental fund balance was the planned spenddown of the 2020 School Building and Site Bonds (\$81 thousand) and the planned spenddown of the 2023 School Building and Site Bonds (\$19 million).

The combined fund balance of our debt service funds increased by \$0.3 million. Debt service fund balances are reserved since they can only be used to pay debt service obligations. Millage rates are determined annually to ensure that the School District accumulates sufficient resources to pay annual bond issue related debt service. The School District's debt levy of 3.40 mills in 2024-2025 remained unchanged from the prior year.

#### General Fund

In the General Fund, our principal operating fund, fund balance increased by \$0.2 million to \$33.3 million. General Fund revenue was \$99.3 million, down from \$101 million a year ago. This decrease of 1.7 million is explained by an increase in local revenue of \$1.6 million, combined with lower state revenue of \$1.0 million (due to the loss of 147c(1)), and lower federal funding (\$2.3 million).

General Fund expenditures were \$99.7 million, up from \$97.5 million last year. Personnel costs (wages, salaries, and benefits) increased by \$2.5 million due primarily to contractual wage and salary increases, increased bonus payments, and higher retirement costs. Purchased services increased by \$0.8 million due primarily to higher contracted pupil transportation costs and other contracted services. Supply costs decreased by \$0.6 million due to higher utility costs but lower classroom material and textbook costs. Capital expenditures decreased by \$0.6 million due to a decrease in expenditures related to a district-wide infrastructure projects. All other expenses increased by \$0.1 million.

Other financing sources, including transfers into the General Fund, were \$0.6 million, up from \$0.3 million in 2023-2024.

#### Special Education Center Program Fund

The Special Education Center Program Fund balance increased by \$1.2 million due to higher Act 18 funding received throughout the year.

#### All Other Funds

The year-end fund balance in the School District's Sinking Fund increased by \$3.3 million. The School District collected \$4.2 million in sinking fund revenue from a levy of 0.9396 mills and interest earnings on available sinking fund reserves. Sinking fund expenditures were \$0.9 million. Major sinking fund projects included district turf replacement, site improvements, and district-wide paving/drainage projects.

The fund balance in the School District's Public Improvement Fund remained unchanged at \$1.1 million.

The Food Services Fund and the Early Childhood Development Center Fund balances increased by approximately \$0.1 million and by \$40 thousand, respectively. The Student Activity Fund increased to \$1.9 million, with expenditures of \$3 million and revenue of \$3.1 million for the year.

#### General Fund Budgetary Highlights

Over the course of the year, the School District revises its budget as it attempts to deal with unexpected changes in revenue and expenditures. State law requires that the budget be amended to ensure that expenditures do not exceed appropriations. The final amendment to the budget was adopted on June 24, 2025. A schedule showing the School District's original and final budget amounts compared with amounts actually paid and received is provided in the required supplementary information to these financial statements.

## Northville Public Schools

### Management's Discussion and Analysis (Continued)

The initial fiscal year 2025 budget was approved by the Board of Education in June 2024 and reflected an operating deficit of \$(4.4) million. Budgeted revenue, including net transfers, was \$98.8 million. The initial budget assumed an increase of \$240 per pupil, or 2.4 percent, in the state foundation allowance and a reduction of (90) budgeted full-time equivalent (FTE) students. Budgeted expenditures were \$103.1 million, of which 82 percent was allocated for staff salaries and benefits.

An interim budget amendment was approved in May 2025. This amendment included a revenue loss of \$(1.7) million due to no state aid foundation increase. These reductions, however, were more than offset by (1) MPERS 147a(4) one-time funding of \$2.9 million, (2) higher property tax revenue of \$0.8 million, and (3) increased interest income of \$0.1 million. Overall, total revenue decreased by \$50 thousand. At the same time, budgeted expenditures decreased by \$2 million, primarily due to lower MPERS UAAL rates (\$3.2 million), higher supply and utility costs (\$0.1 million), and increased purchased service costs (\$0.5 million). Although there were significant changes in both revenue and expenditures, on balance, the projected operating deficit included in the May amendment changed only slightly from the initial fiscal year 2025 budget to \$(2.4) million.

The final budget amendment was approved in June 2025 and reflected an operating deficit of \$(0.8) million. Budgeted revenue increased by \$1.7 million, due primarily to an additional \$2.1 million of state funding for MPERS, a \$0.7 million decrease in local property tax revenue, increased payments of \$0.4 million from Wayne RESA for the enhancement millage and Act 18 building upgrades, and a \$0.1 million decrease in all other sources of revenue. Budgeted expenditures had little change.

#### Budget Performance

Operating revenue in 2024-2025 was \$99.3 million, or \$0.4 million lower than the final budget. Higher local revenue (\$0.9 million), lower state revenue of (\$1.3 million), contributed to this negative budget variance.

Operating expenditures in 2024-2025 were \$99.7 million, or \$1.5 million better than the final budget. Personnel-related costs were \$1.1 million higher than budget. Contributing factors include higher than budgeted retirement costs and higher leave and sick bank payouts. Nonpersonnel costs were \$2.6 million better than budget, reflecting primarily lower purchased service costs (\$1.3 million), lower supply costs (\$1 million), and lower capital outlay costs (\$0.1 million).

Operating transfers and other financing sources in 2024-2025 were \$0.5 million, or \$0.2 million lower than budget, bringing the total operating surplus to \$1.0 million, or \$1 million better than budget.

#### Capital Assets and Debt Administration

##### Capital Assets

As of June 30, 2025, the School District had \$194.0 million invested in a broad range of capital assets, including land, buildings, vehicles, furniture, and equipment. This amount represents a net increase (including additions, disposals, and depreciation) of approximately \$(9.9) million, or 5.4 percent, from last year.

	Governmental Activities	
	2025	2024
Land	\$ 3,377,000	\$ 3,377,000
Construction in progress	17,696,233	6,404,741
Buildings and improvements	149,369,341	152,674,205
Furniture and equipment	21,723,744	19,303,504
Buses and other vehicles	1,850,909	2,314,684
Total capital assets - Net of accumulated depreciation	<b>\$ 194,017,227</b>	<b>\$ 184,074,134</b>

This year's additions of \$23.1 million include technology, furnishings, building renovations, and site improvements.

## Northville Public Schools

### Management's Discussion and Analysis (Continued)

#### Debt

At the end of this year, the School District had \$128.2 million in bonds outstanding versus \$135.8 million in the previous year, a change of (5.6) percent. Those bonds consisted of the following:

	2025	2024
General obligation bonds	\$ 128,200,000	\$ 135,775,000

In May 2023, Standard & Poors Global Ratings raised its long-term rating and underlying rating to AA from AA-. The State limits the amount of general obligation debt that schools can issue to 15 percent of the assessed value of all taxable property within the School District's boundaries. If the School District issues qualified debt (i.e., debt backed by the State of Michigan), such obligations are not subject to this debt limit. The School District's outstanding qualified general obligation debt of \$128.2 million is significantly below the statutorily imposed limit.

Other obligations include compensated absences (i.e., accrued vacation pay and sick leave). We present more detailed information about our long-term liabilities in the notes to the financial statements.

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

The economic environment in 2024-2025 remained challenging, due primarily to higher prices for goods and services. Additionally, while the labor market for most teaching positions loosened in fiscal year 2025, shortages continued to be experienced for special education personnel and support staff positions.

During the 2024-2025 fiscal year, the School District and the teachers' union successfully negotiated a new two-year labor agreement covering the 2024-2025 and 2025-2026 school years. The agreement reflects a continued commitment to providing competitive compensation while maintaining long-term financial sustainability. Negotiations with other employee groups are ongoing, with the School District's focus remaining on reaching agreements that balance market competitiveness with fiscal responsibility.

A continued challenge in these negotiations has been the impact of recent contract settlements in neighboring southeast Michigan districts, some of which were supported by temporary pandemic-related funding. Recognizing that these federal relief funds expired in September 2024, the School District has remained cautious to avoid using one-time resources to support ongoing, structural expenditures.

#### State Revenue

In 2024-2025, approximately 68 percent of total General Fund revenue was generated from the per pupil foundation revenue from the State. Under state law, the School District cannot access additional property tax revenue for general operations. As a result, school district funding is heavily dependent on the State's ability to fund local school operations.

Since the School District's revenue is heavily dependent on state funding and the overall health of the State's School Aid Fund, the actual revenue received is determined by the State's ability to generate sufficient tax collections to fund appropriations to local districts. The State conducts Consensus Revenue Estimating Conferences each January and May to project available resources, with the May conference providing the basis for the State's budget for the upcoming fiscal year.

The May 2025 conference reflected a more moderate economic outlook compared to the prior year, as inflation, slower consumer spending, and the expiration of federal pandemic relief funding placed pressure on state revenue. Despite these challenges, the State continued its investment in public education, increasing the foundation allowance from \$9,608 per pupil in 2024-2025 to \$10,050 per pupil in 2025-2026. In addition, the State maintained and expanded categorical funding for special education, student mental health and safety, and at-risk students, reflecting an ongoing commitment to supporting student needs while recognizing the limits of one-time funding sources.

## Northville Public Schools

### Management's Discussion and Analysis (Continued)

#### Federal/State Stimulus Revenue

Through fiscal year 2023-2024, the School District expended approximately \$6.0 million of its Section 11t allocation, leaving \$0.9 million remaining to be obligated by September 30, 2024. The remaining expenditures are planned for the continuation of targeted academic recovery and student support initiatives designed to mitigate the lingering effects of the pandemic.

Including all federal and state one-time relief sources - such as ESSER funds, Section 11t allocations, and other smaller programs under Sections 11r(4), 23b, and 98c - the School District received a total of approximately \$12.2 million in one-time federal and state funding between fiscal years 2021-2022 and 2024-2025. These funds provided essential short-term relief but are not expected to recur, underscoring the importance of maintaining structural balance in the School District's ongoing operational budget.

#### Enrollment

Student enrollment is vital to the School District's operating revenue. As experienced in most districts throughout Michigan, enrollment has been impacted by a declining birth rate and a state population migration.

School district projections for 2025-2026 reflect an enrollment increase of 24 students, but early registration data indicates stable to increasing enrollment. One of the contributing factors to the improved enrollment outlook is the launch of a Young 5 program in 2024-2025, which will attract and retain young learners. Additionally, the School District has experienced some residential development in the northwest area of the School District, and, further, a large residential development (The Downs) began construction this year in the City of Northville that will serve to sustain enrollment.

#### Expenditures

In keeping with historical spending patterns, expenditures on wages, salaries, and benefits will consume approximately 80 percent of the General Fund operating budget in 2025-2026. One of the biggest challenges facing districts in many areas of the country is the availability of new staff, particularly in certain subject areas and special education. Additionally, the need for ancillary personnel (counselors, social workers, and psychologists) and certain support personnel (para-educators, food service, and pupil transportation) has expanded greatly since the pandemic, increasing the demand for those positions. These labor market considerations, along with the need to be competitive with recent salary increases negotiated in nearby school districts, has been a factor in the School District's current labor negotiations. The School District, however, remains committed to negotiating sustainable labor agreements.

Expenditures will also remain flat in 2025-2026 for student mental health and safety and security measures, which will be funded through state grants.

#### Contacting the School District's Management

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

## Northville Public Schools

### Statement of Net Position

	<b>June 30, 2025</b>
	Governmental Activities
<b>Assets</b>	
Cash and investments (Note 4)	\$ 52,196,597
Receivables:	
Other receivables	82,664
Due from other governments	17,682,988
Inventory	43,648
Prepaid expenses	318,575
Restricted assets (Note 4)	58,397,959
Net OPEB asset (Note 10)	21,602,349
Capital assets: (Note 6)	
Assets not subject to depreciation	21,073,233
Assets subject to depreciation - Net	172,943,994
Total assets	344,342,007
<b>Deferred Outflows of Resources</b>	
Deferred pension costs (Note 10)	35,303,966
Deferred OPEB costs (Note 10)	5,411,036
Total deferred outflows of resources	40,715,002
<b>Liabilities</b>	
Accounts payable	5,433,026
Due to other governmental units	1,223,338
Accrued liabilities and other	12,408,241
Unearned revenue (Note 5)	4,264,173
Noncurrent liabilities:	
Due within one year (Note 8)	11,356,059
Due in more than one year (Note 8)	137,709,205
Net pension liability (Note 10)	124,043,211
Total liabilities	296,437,253
<b>Deferred Inflows of Resources</b>	
Revenue in support of pension contributions made subsequent to the measurement date (Note 10)	6,725,335
Deferred pension cost reductions (Note 10)	39,845,148
Deferred OPEB cost reductions (Note 10)	28,526,424
Total deferred inflows of resources	75,096,907
<b>Net Position</b>	
Net investment in capital assets	94,681,487
Restricted:	
Debt service	1,124,582
Capital projects	5,082,388
Net OPEB asset	21,602,349
Unrestricted	(108,967,957)
Total net position	<b>\$ 13,522,849</b>

**Northville Public Schools**

**Statement of Activities**

**Year Ended June 30, 2025**

Functions/Programs	Program Revenue			Governmental
	Expenses	Charges for Services	Operating Grants and Contributions	Activities Net (Expense) Revenue and Changes in Net Position
Primary government - Governmental activities:				
Instruction	\$ 64,588,986	\$ 353,674	\$ 33,583,943	\$ (30,651,369)
Support services	39,631,827	-	14,458,520	(25,173,307)
Athletics	1,156,455	653,147	-	(503,308)
Food services	4,344,090	929,491	1,254,972	(2,159,627)
Community services	4,251,678	4,953,173	-	701,495
Interest	5,345,325	-	-	(5,345,325)
Other debt costs	1,998,386	-	-	(1,998,386)
<b>Total primary government</b>	<b>\$ 121,316,747</b>	<b>\$ 6,889,485</b>	<b>\$ 49,297,435</b>	<b>(65,129,827)</b>
General revenue:				
Taxes:				
Property taxes levied for general purposes				15,815,029
Property taxes levied for debt service				9,075,712
Property taxes levied for capital projects				3,817,291
State aid not restricted to specific purposes				55,184,934
Interest and investment earnings				5,286,689
Penalties, interest, and other taxes				14,543
Gain on sale of capital assets				90,750
Other				4,347,967
<b>Total general revenue</b>				<b>93,632,915</b>
<b>Change in Net Position</b>				<b>28,503,088</b>
<b>Net Position (Deficit) - Beginning of year</b>				<b>(14,980,239)</b>
<b>Net Position - End of year</b>				<b>\$ 13,522,849</b>

**Northville Public Schools**

**Governmental Funds Balance Sheet**

**June 30, 2025**

	General Fund	Special Education Center Program Fund	2023 Building and Site Bond Fund	Nonmajor Funds	Total Governmental Funds
<b>Assets</b>					
Cash and investments (Note 4)	\$ 38,959,026	\$ 3,683,034	\$ -	\$ 7,716,433	\$ 50,358,493
Receivables:					
Other receivables	82,664	-	-	-	82,664
Due from other governments	16,862,123	793,848	-	27,017	17,682,988
Due from other funds (Note 7)	1,768,134	423,164	-	2,093,300	4,284,598
Inventory	-	-	-	43,648	43,648
Prepaid expenses	318,575	-	-	-	318,575
Restricted assets (Note 4)	-	-	47,010,961	11,386,998	58,397,959
<b>Total assets</b>	<b>\$ 57,990,522</b>	<b>\$ 4,900,046</b>	<b>\$ 47,010,961</b>	<b>\$ 21,267,396</b>	<b>\$ 131,168,925</b>
<b>Liabilities</b>					
Accounts payable	\$ 947,363	\$ 21,105	\$ 3,976,397	\$ 478,254	\$ 5,423,119
Due to other governmental units	1,223,338	-	-	-	1,223,338
Due to other funds (Note 7)	7,751,423	-	931,904	836,230	9,519,557
Accrued liabilities and other	11,388,650	-	-	-	11,388,650
Unearned revenue (Note 5)	3,329,309	823,731	-	111,133	4,264,173
<b>Total liabilities</b>	<b>24,640,083</b>	<b>844,836</b>	<b>4,908,301</b>	<b>1,425,617</b>	<b>31,818,837</b>
<b>Fund Balances</b>					
Nonspendable:					
Inventory	-	-	-	43,648	43,648
Prepays	318,575	-	-	-	318,575
Restricted:					
Debt service	-	-	-	1,850,552	1,850,552
Capital projects	-	-	42,102,660	9,734,471	51,837,131
Special education	-	4,055,210	-	-	4,055,210
Food service	-	-	-	1,680,143	1,680,143
Committed:					
Capital projects	-	-	-	1,061,545	1,061,545
Early childhood development	-	-	-	3,565,831	3,565,831
Student activities	-	-	-	1,905,589	1,905,589
Assigned - Subsequent year's budget	3,735,401	-	-	-	3,735,401
Unassigned	29,296,463	-	-	-	29,296,463
<b>Total fund balances</b>	<b>33,350,439</b>	<b>4,055,210</b>	<b>42,102,660</b>	<b>19,841,779</b>	<b>99,350,088</b>
<b>Total liabilities and fund balances</b>	<b>\$ 57,990,522</b>	<b>\$ 4,900,046</b>	<b>\$ 47,010,961</b>	<b>\$ 21,267,396</b>	<b>\$ 131,168,925</b>

**Northville Public Schools**

Governmental Funds  
Reconciliation of the Balance Sheet to the Statement of Net Position

	June 30, 2025
<b>Fund Balances Reported in Governmental Funds</b>	<b>\$ 99,350,088</b>
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and are not reported in the funds:	
Cost of capital assets	327,484,264
Accumulated depreciation	<u>(133,467,037)</u>
Net capital assets used in governmental activities	194,017,227
Bonds payable, including premiums, are not due and payable in the current period and are not reported in the funds	(143,798,975)
Accrued interest is not due and payable in the current period and is not reported in the funds	(1,019,591)
Some employee fringe benefits are payable over a long period of years and do not represent a claim on current financial resources; therefore, they are not reported as fund liabilities:	
Employee compensated absences	(1,226,731)
Net pension liability and related deferred inflows and outflows	(128,584,393)
Net OPEB asset and related deferred inflows and outflows	(1,513,039)
Revenue in support of pension contributions made subsequent to the measurement date is reported as a deferred inflow of resources in the statement of net position and is not reported in the funds	(6,725,335)
Other long-term liabilities, consisting of arbitrage rebate liabilities, do not present a claim on current financial resources and are not reported as fund liabilities	(1,997,886)
Internal service funds are included as part of governmental activities	<u>5,021,484</u>
<b>Net Position of Governmental Activities</b>	<b><u>\$ 13,522,849</u></b>

See notes to financial statements.

**Northville Public Schools**

Governmental Funds  
Statement of Revenue, Expenditures, and Changes in Fund Balances

	Year Ended June 30, 2025				
	General Fund	Special Education Center Program Fund	2023 Building and Site Bond Fund	Nonmajor Funds	Total Governmental Funds
<b>Revenue</b>					
Local sources	\$ 15,222,065	\$ 125,601	\$ 2,623,687	\$ 27,276,193	\$ 45,247,546
State sources	75,331,912	6,318,176	-	3,193,662	84,843,750
Federal sources	3,099,009	-	-	820,919	3,919,928
Interdistrict sources	5,660,797	6,813,326	-	-	12,474,123
Total revenue	<u>99,313,783</u>	<u>13,257,103</u>	<u>2,623,687</u>	<u>31,290,774</u>	<u>146,485,347</u>
<b>Expenditures</b>					
Current:					
Instruction	62,685,756	8,499,922	-	-	71,185,678
Support services:					
Pupil	7,341,385	2,253,805	-	-	9,595,190
Instructional staff	4,760,886	413,905	-	-	5,174,791
General administration	938,687	-	-	-	938,687
School administration	5,114,790	539,451	-	-	5,654,241
Business	1,059,913	-	-	87,496	1,147,409
Operations and maintenance	8,770,292	-	-	48,103	8,818,395
Pupil transportation services	3,640,997	-	-	-	3,640,997
Central	2,706,919	13,830	-	-	2,720,749
Other	-	-	-	2,999,212	2,999,212
Athletics	1,300,820	-	-	-	1,300,820
Food services	-	-	-	4,481,386	4,481,386
Community services	188,315	-	-	4,449,653	4,637,968
Debt service:					
Principal	-	-	-	7,575,000	7,575,000
Interest	-	-	-	6,442,899	6,442,899
Other debt costs	-	-	-	500	500
Capital outlay	1,150,019	41,551	21,814,741	1,149,622	24,155,933
Total expenditures	<u>99,658,779</u>	<u>11,762,464</u>	<u>21,814,741</u>	<u>27,233,871</u>	<u>160,469,855</u>
<b>Excess of Revenue (Under) Over Expenditures</b>	(344,996)	1,494,639	(19,191,054)	4,056,903	(13,984,508)
<b>Other Financing Sources (Uses)</b>					
Proceeds from sale of capital assets (Note 6)	72,390	-	18,360	-	90,750
Transfers in (Note 7)	510,000	-	-	226,871	736,871
Transfers out (Note 7)	-	(250,000)	-	(486,871)	(736,871)
Total other financing sources (uses)	<u>582,390</u>	<u>(250,000)</u>	<u>18,360</u>	<u>(260,000)</u>	<u>90,750</u>
<b>Net Change in Fund Balances</b>	237,394	1,244,639	(19,172,694)	3,796,903	(13,893,758)
<b>Fund Balances - Beginning of year</b>	<u>33,113,045</u>	<u>2,810,571</u>	<u>61,275,354</u>	<u>16,044,876</u>	<u>113,243,846</u>
<b>Fund Balances - End of year</b>	<b><u>\$ 33,350,439</u></b>	<b><u>\$ 4,055,210</u></b>	<b><u>\$ 42,102,660</u></b>	<b><u>\$ 19,841,779</u></b>	<b><u>\$ 99,350,088</u></b>

See notes to financial statements.

**Northville Public Schools**

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

Year Ended June 30, 2025

<b>Net Change in Fund Balances Reported in Governmental Funds</b>	\$ (13,893,758)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; however, in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:	
Capitalized capital outlay	23,084,917
Depreciation expense	(13,141,824)
Revenue in support of pension contributions made subsequent to the measurement date	3,243,738
Repayment of bond principal is an expenditure in the governmental funds but not in the statement of activities (where it reduces long-term debt); amortization of premiums are not expenses in the governmental funds	8,619,387
Interest expense is recognized in the government-wide statements as it accrues	53,187
Some employee costs (pension, OPEB, and compensated absences) do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds	21,580,133
Arbitrage rebate costs that do not use current financial resources are not reported as expenditures in the governmental funds	(1,997,886)
Internal service funds are included as part of governmental activities	955,194
<b>Change in Net Position of Governmental Activities</b>	<b><u>\$ 28,503,088</u></b>

**Northville Public Schools**

Proprietary Fund  
Statement of Net Position

June 30, 2025

	Internal Service Fund
<b>Assets</b>	
Current assets:	
Cash and investments (Note 4)	\$ 1,838,104
Due from other funds (Note 7)	<u>5,225,052</u>
Total assets	7,063,156
<b>Liabilities</b> - Current liabilities - Provisions for claims (Note 9)	<u>2,041,672</u>
<b>Net Position</b> - Unrestricted	<b><u>\$ 5,021,484</u></b>

**Northville Public Schools**

Proprietary Fund  
Statement of Revenue, Expenses, and Changes in Net Position

Year Ended June 30, 2025

	Internal Service Fund
<b>Operating Revenue</b> - Charges for services	\$ 11,168,872
<b>Operating Expenses</b> - Cost of insurance claims	10,213,678
<b>Change in Net Position</b>	955,194
<b>Net Position</b> - Beginning of year	4,066,290
<b>Net Position</b> - End of year	<b>\$ 5,021,484</b>

**Northville Public Schools**

Proprietary Fund  
Statement of Cash Flows

Year Ended June 30, 2025

	Internal Service Fund
<b>Cash Flows from Operating Activities</b>	
Receipts from other funds	\$ 10,017,678
Payments for services	(10,246,175)
<b>Net Decrease in Cash and Investments</b> - Net cash used in operating activities	(228,497)
<b>Cash and Investments</b> - Beginning of year	2,066,601
<b>Cash and Investments</b> - End of year	<b>\$ 1,838,104</b>
<b>Reconciliation of Operating Income to Net Cash from Operating Activities</b>	
Operating income	\$ 955,194
Adjustments to reconcile operating income to net cash from operating activities:	
Changes in assets and liabilities:	
Due to and from other funds	(1,151,194)
Accrued liabilities and other	(32,497)
Total adjustments	(1,183,691)
Net cash used in operating activities	<b>\$ (228,497)</b>

**Northville Public Schools**

Fiduciary Funds  
Statement of Fiduciary Net Position

	June 30, 2025
	Private Purpose Trust Funds
<b>Assets</b>	
Cash and investments (Note 4)	\$ 445,892
Due from other funds (Note 7)	9,907
Total assets	455,799
<b>Liabilities</b>	-
<b>Net Position</b> - Restricted for scholarships	<b>\$ 455,799</b>

**Northville Public Schools**

Fiduciary Funds  
Statement of Changes in Fiduciary Net Position

	Year Ended June 30, 2025
	Private Purpose Trust Funds
<b>Additions</b> - Investment income - Interest and dividends	\$ 47,497
<b>Deductions</b> - Scholarships awarded	3,450
<b>Change in Net Position</b>	44,047
<b>Net Position</b> - Beginning of year	411,752
<b>Net Position</b> - End of year	<b>\$ 455,799</b>

June 30, 2025

**Note 1 - Nature of Business**

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

**Note 2 - Significant Accounting Policies*****Accounting and Reporting Principles***

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

***Reporting Entity***

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

***Report Presentation***

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

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

As a general rule, the effect of interfund activity has been removed from the government-wide financial statements. Exceptions to this general rule occur when there are charges between the School District's business-type activities and various other functions of the School District.

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

June 30, 2025

**Note 2 - Significant Accounting Policies (Continued)*****Fund Accounting***

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

***Governmental Funds***

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

- The General Fund is the primary operating fund because it accounts for all financial resources used to provide government services other than those specifically assigned to another fund.
- The Special Education Center Program Fund is used to record special education millage revenue from Wayne County, Michigan (the "County"); state revenue related to special education; and disbursements associated with special education center programs administered by the School District on behalf of the County.
- The 2023 Building and Site Bond Fund is used to record bond proceeds or other revenue and disbursements of invoices specifically designated for erecting, furnishing, and equipping facilities; installing technology; purchasing buses; and improving playgrounds, athletic fields, and facilities. The fund operates until the purpose for which it was created is accomplished.

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

- Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes.
- Capital project funds are used to record bond proceeds or other revenue and the disbursement of invoices specifically designated for acquiring new school sites, buildings, and equipment; technology upgrades; and remodeling and repairs. The funds operate until the purpose for which they were created is accomplished.
- The Public Improvement Fund, a capital project fund established under the requirements of Michigan Public Act 177 of 1943, is used for the purpose of appropriating, providing for, setting aside, and accumulating money, as determined by action of the Board of Education, to be used for acquiring, constructing, extending, altering, repairing, or equipping public school improvements or buildings.
- Debt service funds are used to record tax, interest, and other revenue for payment of interest, principal, and other expenditures on long-term debt.

***Proprietary Funds***

The proprietary fund is an internal service fund that provides goods or services to other funds of the School District.

The School District's Internal Service Fund is used to account for health care-related services provided to other governmental funds of the School District on a cost-reimbursement basis.

**Note 2 - Significant Accounting Policies (Continued)**

**Fiduciary Funds**

Fiduciary funds include amounts held in a fiduciary capacity for others. These amounts are not used to operate the School District's programs. The Private Purpose Trust Funds are used to account for funds entrusted to the School District for scholarship award programs and various school-related purposes.

**Interfund Activity**

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

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

**Basis of Accounting**

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

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

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

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

**Specific Balances and Transactions**

**Cash and Investments**

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value except for investments in external investment pools, which are valued at amortized cost. Pooled investment income from the School District's funds is generally allocated to each fund using a weighted average of balance for the principal.

**Note 2 - Significant Accounting Policies (Continued)**

**Inventories and Prepaid Items**

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

**Restricted Assets**

The following amounts are reported as restricted assets:

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

**Capital Assets**

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

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

	Depreciable Life - Years
Buildings and improvements	20 to 50
Furniture and equipment	5 to 10
Buses and other vehicles	5 to 10

**Long-term Obligations**

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

**Note 2 - Significant Accounting Policies (Continued)****Net Position**

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

**Net Position Flow Assumption**

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

**Fund Balance Flow Assumptions**

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

**Fund Balance Policies**

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

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

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

**Note 2 - Significant Accounting Policies (Continued)**

The fund balance policy prescribes the minimum fund balance as 11 percent of school district General Fund annual operating expenditures in the General Fund and special revenue funds. This is deemed to be the prudent amount to maintain the School District's ability to meet obligations as they come due throughout the year.

**Property Tax Revenue**

Properties are assessed as of December 31, and the related property taxes become a lien on December 1 of the following year. These taxes are billed on July 1 for approximately 50 percent of the taxes and on December 1 for the remainder of the property taxes. Tax collections are forwarded to the School District as collected by the assessing municipalities through March 1, at which time they are considered delinquent and added to county tax rolls. Any delinquent taxes collected by the County are remitted to the School District by June 30. The School District considers all receivables to be fully collectible; accordingly, no allowance for uncollectible amounts is recorded.

**Grants and Contributions**

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

**Pension and Other Postemployment Benefit (OPEB) Plans**

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

**Compensated Absences (Vacation and Sick Leave)**

It is the School District's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. Sick pay is accrued for leave that is more likely than not to be used for time off in a future period or otherwise paid or settled based on historical usage and employment patterns. Vacation pay is accrued when incurred. Both of these are reported in the government-wide financial statements. A liability for these amounts is reported in governmental funds only for employee terminations as of year end. Generally, the funds that report each employee's compensation are used to liquidate the obligations.

**Use of Estimates**

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

June 30, 2025

**Note 2 - Significant Accounting Policies (Continued)****Accounting Changes****Adoption of New Accounting Pronouncement**

During the current year, the School District adopted GASB No. 101, *Compensated Absences*. The new accounting standard impacted the measurement of the compensated absences liability that is included in the statement of net position. The standard was required to be adopted retroactively. There was no significant impact to the School District from the adoption of this statement.

**Upcoming Accounting Pronouncements**

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

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

**Note 3 - Stewardship, Compliance, and Accountability****Budgetary Information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles and state law for the General Fund, non-bonded capital project funds, and all special revenue funds. All annual appropriations lapse at fiscal year end. The budget document presents information by fund and function. In accordance with generally accepted accounting principles, the School District reports capital outlay separately in the statement of revenue, expenditures, and changes in the fund balances for all funds. However, the School District budgets and reports capital outlay expenditures within the related function in the budgetary comparison schedule - Special Education Center Program Fund. The legal level of budgetary control adopted by the governing body (i.e., the level at which expenditures may not legally exceed appropriations) is the function level. State law requires the School District to have its budget in place by July 1. Expenditures in excess of amounts budgeted are a violation of Michigan law. State law permits districts to amend their budgets during the year.

Encumbrance accounting is employed in governmental funds. Amounts encumbered for purchase orders, contracts, etc. are not tracked during the year. As a result, fund balance has not been committed or assigned.

**Excess of Expenditures Over Appropriations in Budgeted Funds**

The School District did not have significant expenditure budget variances.

**Capital Projects Fund Compliance**

The 2023 Building and Site Bond capital project fund includes capital project activities funded with bonds issued after May 1, 1994. For this capital project fund, the School District has complied with the applicable provisions of §1351a of the State of Michigan's School Code. The fund is not yet considered substantially complete and a subsequent year audit is expected.

June 30, 2025

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

The 2020 Building and Site Bond capital projects fund includes capital projects activities funded with bonds issued after May 1, 1994. For this fund, the projects for which the bonds were issued were considered complete in a prior period, and the School District has completed the required reporting to the Michigan Department of Treasury.

The Sinking Fund and the Sinking Fund (2022) record capital project activities funded with the sinking fund millage. For these funds, authorized prior to March 29, 2017, the School District has complied with the applicable provisions of §1212 of the State of Michigan Revised School Code.

**Note 4 - Deposits and Investments**

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

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

The investment policy adopted by the board in accordance with state statutes has authorized investment in bonds and securities of the United States government and bank accounts, CDs, and all other investments, as noted by the state statutory authority listed above.

The School District's investments in the Michigan Liquid Asset Fund Plus - MAX Class fund may not be redeemed for at least 14 calendar days, with the exception of direct investments of funds distributed by the State. Redemptions made prior to the applicable 14-day period are subject to a penalty equal to 15 days' interest on the amount so redeemed. There are no limitations or restrictions on participant withdrawals for the School District's investment in the Comerica J Fund that are recorded at amortized cost.

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

**Custodial Credit Risk of Bank Deposits**

Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits may not be returned to it. The School District does not have a deposit policy for custodial credit risk. At year end, the School District had bank deposits totaling \$20,476,127 (certificates of deposit and checking and savings accounts) that were uninsured and uncollateralized. The School District believes that, due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits.

**Custodial Credit Risk of Investments**

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

**Note 4 - Deposits and Investments (Continued)**

**Interest Rate Risk**

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The School District's policy minimizes interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the open market, and investing operating funds primarily in shorter-term securities, liquid asset funds, money market mutual funds, or similar investment pools and limiting the average maturity in accordance with the School District's cash requirements.

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

Investment	Carrying Value	Weighted-average Maturity (Years)
Bank investment pool - Michigan CLASS	\$ 35,025,130	0.20

**Credit Risk**

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The School District has no investment policy that would further limit its investment choices. As of year end, the credit quality ratings of debt securities are as follows:

Investment	Fair Value	Rating	Rating Organization
Bank investment pool - Michigan CLASS	\$ 35,025,130	AAAm	S&P
Bank investment pool - MILAF MAX Class*	58,397,959	AAAm	S&P
Bank investment pool - Comerica J Fund*	41,580	Not rated	
<b>Total</b>	<b>\$ 93,464,669</b>		

\*Investments are valued at amortized cost rather than fair value.

**Concentration of Credit Risk**

The School District places no limit on the amount it may invest in any one issuer.

**Foreign Currency Risk**

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

**Fair Value Measurements**

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

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

**Note 4 - Deposits and Investments (Continued)**

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

- Mutual funds held by the Private Purpose Trust Funds totaling \$404,311 are valued using significant other observable inputs (Level 2 inputs).

The securities classified as Level 2 are valued using broker investment statements.

**Investments in Entities that Calculate Net Asset Value per Share**

The School District holds shares or interests in investment companies where the fair value of the investments is measured on a recurring basis using net asset value per share (or its equivalent) of the investment companies as a practical expedient.

At June 30, 2025, the School District invested \$35,025,130 in the Michigan CLASS pool.

The Michigan CLASS investment pool invests in U.S. Treasury obligations, federal agency obligations of the U.S. government, high-grade commercial paper (rated "A1" or better), collateralized bank deposits, repurchase agreements (collateralized at 102 percent by treasuries and agencies), and approved money market funds. The program is designed to meet the needs of Michigan public sector investors. It purchases securities that are legally permissible under state statutes and are available for investment by Michigan counties, cities, townships, school districts, authorities, and other public agencies.

**Note 5 - Unavailable/Unearned Revenue**

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

At June 30, 2025, the School District had no unavailable revenue and approximately \$4,264,000 of unearned revenue, primarily related to categorical aid and federal assistance payments received prior to meeting all eligibility requirements.

**Northville Public Schools**

Notes to Financial Statements

June 30, 2025

**Note 6 - Capital Assets**

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

**Governmental Activities**

	Balance July 1, 2024	Reclassifications	Additions	Disposals and Adjustments	Balance June 30, 2025
Capital assets not being depreciated:					
Land	\$ 3,377,000	\$ -	\$ -	\$ -	\$ 3,377,000
Construction in progress	6,404,741	(4,426,769)	15,718,261	-	17,696,233
Subtotal	9,781,741	(4,426,769)	15,718,261	-	21,073,233
Capital assets being depreciated:					
Buildings and improvements	249,524,460	4,426,769	1,075,842	-	255,027,071
Furniture and equipment	43,164,919	-	6,290,814	(2,358,206)	47,097,527
Buses and other vehicles	4,645,986	-	-	(359,553)	4,286,433
Subtotal	297,335,365	4,426,769	7,366,656	(2,717,759)	306,411,031
Accumulated depreciation:					
Buildings and improvements	96,850,255	-	8,807,475	-	105,657,730
Furniture and equipment	23,861,415	-	3,870,574	(2,358,206)	25,373,783
Buses and other vehicles	2,331,302	-	463,775	(359,553)	2,435,524
Subtotal	123,042,972	-	13,141,824	(2,717,759)	133,467,037
Net capital assets being depreciated	174,292,393	4,426,769	(5,775,168)	-	172,943,994
Net governmental activities capital assets	\$ 184,074,134	\$ -	\$ 9,943,093	\$ -	\$ 194,017,227

Depreciation expense was charged to programs of the primary government as follows:

Governmental activities:	
Instruction	\$ 8,538,243
Support services	3,761,190
Community services	557,213
Food services	285,178
Total governmental activities	\$ 13,141,824

**Northville Public Schools**

Notes to Financial Statements

June 30, 2025

**Note 6 - Capital Assets (Continued)**

**Construction Commitments**

The School District has active construction projects at year end. As of June 30, 2025, the School District had approximately \$29.2 million in outstanding commitments with contractors.

**Note 7 - Interfund Receivables, Payables, and Transfers**

The composition of interfund balances is as follows:

Fund Due To	Primary Government			
	Fund Due From			Total
	General Fund	2023 Building and Site Bond Fund	Nonmajor Funds	
General Fund	\$ -	\$ 931,904	\$ 836,230	\$ 1,768,134
Special Education Center Program Fund	423,164	-	-	423,164
Nonmajor governmental funds	2,093,300	-	-	2,093,300
Internal Service Fund	5,225,052	-	-	5,225,052
Private Purpose Trust Funds	9,907	-	-	9,907
Total	\$ 7,751,423	\$ 931,904	\$ 836,230	\$ 9,519,557

Interfund balances represent routine and temporary cash flow assistance from the General Fund until amounts are transferred from fund bank accounts. Interfund balances between the General Fund and the Internal Service Fund are for amounts owed to the Internal Service Fund for its share of certain employee benefit costs.

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

Paying Fund (Transfer Out)	Receiving Fund (Transfer In)	Amount
Special Education Center Program Fund	General Fund	\$ 250,000
Nonmajor governmental funds	General Fund	260,000
Nonmajor governmental funds	Nonmajor governmental funds	226,871
	Total	\$ 736,871

Transfers to the General Fund from the Special Education Center Program Fund provide excess resources, capped by regulatory requirements where applicable, to supplement General Fund operations. Transfers to the General Fund from the nonmajor governmental funds relate to the transfer of indirect costs of the Food Services Fund.

**Northville Public Schools**

Notes to Financial Statements

June 30, 2025

**Note 8 - Long-term Debt**

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds payable:					
Other debt - General obligation	\$ 135,775,000	\$ -	\$ (7,575,000)	\$ 128,200,000	\$ 8,140,000
Unamortized bond premiums	16,643,362	-	(1,044,387)	15,598,975	1,044,387
Total bonds payable	152,418,362	-	(8,619,387)	143,798,975	9,184,387
Compensated absences	1,377,674	-	(150,943)	1,226,731	130,000
Self-insurance	2,074,169	10,213,678	(10,246,175)	2,041,672	2,041,672
Arbitrage liability	-	1,997,886	-	1,997,886	-
Total governmental activities long-term debt	\$ 155,870,205	\$ 12,211,564	\$ (19,016,505)	\$ 149,065,264	\$ 11,356,059

The table above discloses the net change in the compensated absence liability of the District.

**General Obligation Bonds and Contracts**

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

Purpose	Remaining Annual Installments	Interest Rate(s) (Percent)	Maturing May 1	Outstanding
\$26,940,000 qualified general obligation serial and term bonds (2020)	\$1,060,000 - \$1,075,000	4.00% - 5.00%	2043	\$ 19,170,000
\$52,740,000 qualified general obligation serial and term bonds (2019)	\$1,955,000 - \$2,910,000	4.00% - 5.00%	2043	44,820,000
\$11,910,000 qualified general obligation serial and term bonds (2018)	\$2,550,000	5.00%	2027	5,100,000
\$61,900,000 qualified general obligation serial and term bonds (2023)	\$1,175,000 - \$4,185,000	4.00% - 5.00%	2045	59,110,000
Total governmental activities				\$ 128,200,000

**Other Long-term Liabilities**

The arbitrage liability attributable to the governmental activities will be liquidated from the applicable capital project funds when payable to the Internal Revenue Service.

The self-insurance liability will generally be liquidated through the School District's Internal Service Fund. The fund will finance the payment of those claims by charging the General Fund based on management's assessment of the relative insurance risk that should be assumed by individual funds.

**Northville Public Schools**

Notes to Financial Statements

June 30, 2025

**Note 8 - Long-term Debt (Continued)**

**Debt Service Requirements to Maturity**

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

Years Ending June 30	Governmental Activities		Total
	Principal	Interest	
2026	\$ 8,140,000	\$ 6,093,250	\$ 14,233,250
2027	6,750,000	5,722,600	12,472,600
2028	5,035,000	5,407,450	10,442,450
2029	5,255,000	5,186,400	10,441,400
2030	5,485,000	4,956,550	10,441,550
2031-2035	30,275,000	20,892,250	51,167,250
2036-2040	35,095,000	13,064,750	48,159,750
2041-2045	32,165,000	4,215,550	36,380,550
Total	\$ 128,200,000	\$ 65,538,800	\$ 193,738,800

**Note 9 - Risk Management**

The School District is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The School District participates in the Metropolitan Association for Improved School Legislation (MAISL) shared-risk program for claims relating to workers' compensation and the SET SEG risk pool for claims related to property loss, torts, and errors and omissions. The School District is partially insured for health and dental claims.

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

The School District estimates the liability for health and dental claims that have been incurred through the end of the fiscal year, including claims that have been reported, as well as those that have not yet been reported. These estimates are recorded in the Internal Service Fund, as well as the government-wide statements. Changes in the estimated liability for the past two fiscal years were as follows:

	2025	2024
Estimated liability - Beginning of year	\$ 2,074,169	\$ 1,690,457
Estimated claims incurred, including changes in estimates	10,213,678	10,592,968
Claim payments	(10,246,175)	(10,209,256)
Estimated liability - End of year	\$ 2,041,672	\$ 2,074,169

**Note 10 - Michigan Public School Employees' Retirement System**

**Plan Description**

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

**Note 10 - Michigan Public School Employees' Retirement System (Continued)**

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

**Benefits Provided**

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

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

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

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

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

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

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

**Contributions**

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

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

**Note 10 - Michigan Public School Employees' Retirement System (Continued)**

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

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

The ranges of rates are as follows:

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

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

The School District's required and actual pension contributions to the plan for the year ended June 30, 2025 were \$22,526,902, which includes the School District's contributions required for those members with a defined contribution benefit. For the year ended June 30, 2025, the School District's required and actual pension contributions include an allocation of \$5,479,763 in revenue received from the State of Michigan and remitted to the System to fund the MPSERS unfunded actuarial accrued liability (UAAL) stabilization rate as well as \$1,245,572 of a one-time state payment received and remitted to the System for the purpose of contributing additional assets to the System.

The School District's required and actual OPEB contributions to the plan for the year ended June 30, 2025 were \$1,982,981, which includes the School District's contributions required for those members with a defined contribution benefit.

**Net Pension Liability**

At June 30, 2025, the School District reported a liability of \$124,043,211 for its proportionate share of the net pension liability. The net pension liability was measured as of September 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of September 30, 2023, which used update procedures to roll forward the estimated liability to September 30, 2024. The School District's proportion of the net pension liability was based on a projection of its long-term share of contributions to the pension plan relative to the projected contributions of all participating reporting units, actuarially determined. At September 30, 2024 and 2023, the School District's proportion was approximately 0.506671 and 0.519086 percent, representing a change of (2.39) percent.

June 30, 2025

**Note 10 - Michigan Public School Employees' Retirement System (Continued)**

**Net OPEB Asset**

At June 30, 2025, the School District reported an asset of \$21,602,349 for its proportionate share of the net OPEB asset. The net OPEB asset for fiscal year 2025 was measured as of September 30, 2024, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of September 30, 2023, which used update procedures to roll forward the estimated asset to September 30, 2024. The School District's proportion of the net OPEB asset was based on a projection of its long-term share of contributions to the OPEB plan relative to the projected contributions of all participating reporting units, actuarially determined. At September 30, 2024 and 2023, the School District's proportion was approximately 0.501867 and 0.506528 percent, representing a change of (0.92) percent.

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

For 2025, the School District recognized pension expense of \$8,500,863, inclusive of payments to fund the MPSERS UAAL stabilization rate. At June 30, 2025, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 3,365,380	\$ (1,347,746)
Changes in assumptions	12,932,240	(9,088,444)
Net difference between projected and actual earnings on pension plan investments	-	(23,672,703)
Changes in proportion and differences between the School District's contributions and proportionate share of contributions	126,492	(5,736,255)
The School District's contributions to the plan subsequent to the measurement date	18,879,854	-
<b>Total</b>	<b>\$ 35,303,966</b>	<b>\$ (39,845,148)</b>

The \$6,725,335 reported as deferred inflows of resources resulting from the pension portion of state aid payments received pursuant to the UAAL payment will be recognized as state appropriations revenue for the year ending June 30, 2026. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ending	Amount
2026	\$ (5,654,705)
2027	(1,051,921)
2028	(10,116,885)
2029	(6,597,525)
<b>Total</b>	<b>\$ (23,421,036)</b>

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

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

For the year ended June 30, 2025, the School District recognized OPEB recovery of \$7,942,693.

June 30, 2025

**Note 10 - Michigan Public School Employees' Retirement System (Continued)**

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ (22,891,893)
Changes in assumptions	4,718,264	(542,325)
Net difference between projected and actual earnings on OPEB plan investments	-	(4,089,572)
Changes in proportionate share or difference between amount contributed and proportionate share of contributions	198,818	(1,002,634)
Employer contributions to the plan subsequent to the measurement date	493,954	-
<b>Total</b>	<b>\$ 5,411,036</b>	<b>\$ (28,526,424)</b>

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

Years Ending	Amount
2026	\$ (7,527,694)
2027	(4,705,194)
2028	(4,551,720)
2029	(4,140,515)
2030	(2,267,178)
Thereafter	(417,041)
<b>Total</b>	<b>\$ (23,609,342)</b>

**Actuarial Assumptions**

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

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

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

June 30, 2025

**Note 10 - Michigan Public School Employees' Retirement System (Continued)**

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

**Discount Rate**

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

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

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

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

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

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

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

	1 Percentage Point Decrease (5.00%)	Current Discount Rate (6.00%)	1 Percentage Point Increase (7.00%)
Net pension liability of the School District	\$ 181,848,680	\$ 124,043,211	\$ 75,909,036

June 30, 2025

**Note 10 - Michigan Public School Employees' Retirement System (Continued)**

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

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

	1 Percentage Point Decrease (5.00%)	Current Discount Rate (6.00%)	1 Percentage Point Increase (7.00%)
Net OPEB asset of the School District	\$ 16,694,473	\$ 21,602,349	\$ 25,845,726

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

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

	1 Percentage Point Decrease (5.00%)	Current Rate (6.00%)	1 Percentage Point Increase (7.00%)
Net OPEB asset of the School District	\$ 25,845,772	\$ 21,602,349	\$ 17,051,301

**Pension Plan and OPEB Plan Fiduciary Net Position**

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

**Payable to the Pension Plan and OPEB Plan**

At June 30, 2025, the School District reported a payable of \$3,952,923 and \$110,929 for the outstanding amount of contributions to the pension plan and OPEB plan, respectively, required for the year ended June 30, 2025.

**Note 11 - Tax Abatements**

The School District receives reduced property tax revenue as a result of industrial facilities tax exemptions (PA 198 of 1974) and brownfield redevelopment agreements granted by cities, villages, and townships within the boundaries of the School District. Industrial facility exemptions are intended to promote construction of new industrial facilities or to rehabilitate historical facilities; brownfield redevelopment agreements are intended to reimburse taxpayers that remediate environmental contamination on their properties.

For the fiscal year ended June 30, 2025, the School District's property tax revenue was reduced by approximately \$1,214,900 under these programs.

The School District is reimbursed for lost revenue caused by tax abatements on the operating millage of nonhomestead properties from the State of Michigan under the School Aid formula. The School District received approximately \$1,214,900 in reimbursements from the State of Michigan. The School District is not reimbursed for lost revenue from the Sinking Fund or debt service millages. There are no abatements made by the School District.

Required Supplementary Information

Northville Public Schools

Required Supplementary Information  
Budgetary Comparison Schedule  
General Fund

Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Over (Under) Final Budget
<b>Revenue</b>				
Local sources	\$ 13,759,300	\$ 14,363,474	\$ 15,222,065	\$ 858,591
State sources	76,554,868	76,658,559	75,331,912	(1,326,647)
Federal sources	2,590,989	3,038,513	3,099,009	60,496
Interdistrict sources	5,143,804	5,642,546	5,660,797	18,251
Total revenue	98,048,961	99,703,092	99,313,783	(389,309)
<b>Expenditures</b>				
Current:				
Instruction:				
Basic programs	54,134,037	51,763,785	52,268,138	504,353
Added needs	10,657,036	10,533,767	10,417,618	(116,149)
Support services:				
Pupil	7,363,750	7,543,189	7,341,385	(201,804)
Instructional staff	4,716,058	5,018,000	4,760,886	(257,114)
General administration	1,180,193	1,058,430	938,687	(119,743)
School administration	5,203,894	4,985,257	5,114,790	129,533
Business	1,429,415	1,155,465	1,059,913	(95,552)
Operations and maintenance	9,814,266	10,135,247	8,770,292	(1,364,955)
Transportation	3,401,196	3,533,674	3,640,997	107,323
Central staff	3,021,969	3,094,781	2,706,919	(387,862)
Athletics	1,325,728	1,439,768	1,300,820	(138,948)
Community services	271,812	281,208	188,315	(92,893)
Capital outlay	619,525	619,525	1,150,019	530,494
Total expenditures	103,138,879	101,162,096	99,658,779	(1,503,317)
<b>Excess of Expenditures Over Revenue</b>	(5,089,918)	(1,459,004)	(344,996)	1,114,008
<b>Other Financing Sources</b>				
Proceeds from sale of capital assets	-	-	72,390	72,390
Transfers in	705,000	705,000	510,000	(195,000)
Total other financing sources	705,000	705,000	582,390	(122,610)
<b>Net Change in Fund Balance</b>	(4,384,918)	(754,004)	237,394	991,398
<b>Fund Balance - Beginning of year</b>	33,113,045	33,113,045	33,113,045	-
<b>Fund Balance - End of year</b>	<b>\$ 28,728,127</b>	<b>\$ 32,359,041</b>	<b>\$ 33,350,439</b>	<b>\$ 991,398</b>

**Northville Public Schools**

Required Supplementary Information  
 Budgetary Comparison Schedule - Major Special Revenue Fund  
 Special Education Center Program Fund

**Year Ended June 30, 2025**

	Original Budget	Final Budget	Actual	(Under) Over Final Budget
<b>Revenue</b>				
Local sources	\$ 120,000	\$ 148,000	\$ 125,601	\$ (22,399)
State sources	5,905,787	5,761,743	6,318,176	556,433
Interdistrict sources	4,500,000	4,386,000	6,813,326	2,427,326
Total revenue	10,525,787	10,295,743	13,257,103	2,961,360
<b>Expenditures</b>				
Current:				
Instruction - Added needs	7,976,800	7,770,000	8,541,473	771,473
Support services:				
Pupil	2,463,679	2,368,922	2,253,805	(115,117)
Instructional staff	365,040	351,000	413,905	62,905
School administration	499,200	480,000	539,451	59,451
Central	-	-	13,830	13,830
Total expenditures	11,304,719	10,969,922	11,762,464	792,542
<b>Excess of Revenue (Under) Over Expenditures</b>	(778,932)	(674,179)	1,494,639	2,168,818
<b>Other Financing Uses - Transfers out</b>	(580,000)	(580,000)	(250,000)	330,000
<b>Net Change in Fund Balance</b>	(1,358,932)	(1,254,179)	1,244,639	2,498,818
<b>Fund Balance - Beginning of year</b>	2,810,571	2,810,571	2,810,571	-
<b>Fund Balance - End of year</b>	<u>\$ 1,451,639</u>	<u>\$ 1,556,392</u>	<u>\$ 4,055,210</u>	<u>\$ 2,498,818</u>

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**Northville Public Schools**

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

	<b>Last Ten Plan Years</b>									
	<b>Plan Years Ended September 30</b>									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
School District's proportion of the net pension liability	0.50667 %	0.51909 %	0.53253 %	0.53128 %	0.53219 %	0.52629 %	0.52492 %	0.51747 %	0.50164 %	0.50648 %
School District's proportionate share of the net pension liability	\$ 124,043,211	\$ 168,007,761	\$ 200,276,543	\$ 125,783,818	\$ 182,814,394	\$ 174,289,239	\$ 157,801,775	\$ 134,097,910	\$ 125,153,950	\$ 123,707,385
School District's covered payroll	\$ 52,603,612	\$ 50,388,758	\$ 51,174,400	\$ 47,512,124	\$ 47,299,210	\$ 45,902,521	\$ 44,858,466	\$ 44,027,362	\$ 42,108,609	\$ 41,932,118
School District's proportionate share of the net pension liability as a percentage of its covered payroll	235.81 %	333.42 %	391.36 %	264.74 %	386.51 %	379.69 %	351.78 %	304.58 %	297.22 %	295.02 %
Plan fiduciary net position as a percentage of total pension liability	74.44 %	65.91 %	60.77 %	72.32 %	59.49 %	60.08 %	62.12 %	63.96 %	63.01 %	62.92 %

See notes to required supplementary information.

**Northville Public Schools**

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

	<b>Last Eight Plan Years</b>							
	<b>Plan Years Ended September 30</b>							
	2024	2023	2022	2021	2020	2019	2018	2017
School District's proportion of the net OPEB (asset) liability	0.50187 %	0.50653 %	0.52884 %	0.52733 %	0.53450 %	0.52556 %	0.52703 %	0.51610 %
School District's proportionate share of the net OPEB (asset) liability	\$ (21,602,349)	\$ (2,865,419)	\$ 11,201,143	\$ 8,048,986	\$ 28,634,768	\$ 37,723,096	\$ 41,893,369	\$ 45,703,456
School District's covered payroll	\$ 52,603,612	\$ 50,388,758	\$ 51,174,400	\$ 47,512,124	\$ 47,299,210	\$ 45,902,521	\$ 44,858,466	\$ 44,027,362
School District's proportionate share of the net OPEB (asset) liability as a percentage of its covered payroll	(41.07)%	(5.69)%	21.89 %	16.94 %	60.54 %	82.18 %	93.39 %	103.81 %
Plan fiduciary net position as a percentage of total OPEB liability	143.08 %	105.04 %	83.09 %	88.87 %	59.76 %	48.67 %	43.10 %	36.53 %

See notes to required supplementary information.

**Northville Public Schools**

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

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	\$ 21,970,014	\$ 21,498,014	\$ 24,283,806	\$ 18,053,891	\$ 16,140,731	\$ 14,743,318	\$ 14,050,456	\$ 13,492,816	\$ 12,072,827	\$ 11,839,042
Contributions in relation to the statutorily required contribution	21,970,014	21,498,014	24,283,806	18,053,891	16,140,731	14,743,318	14,050,456	13,492,816	12,072,827	11,839,042
<b>Contribution Deficiency</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>School District's Covered Payroll</b>	<b>\$ 54,317,928</b>	<b>\$ 52,264,112</b>	<b>\$ 49,840,374</b>	<b>\$ 49,151,302</b>	<b>\$ 47,200,208</b>	<b>\$ 47,280,480</b>	<b>\$ 45,671,978</b>	<b>\$ 44,747,710</b>	<b>\$ 43,652,996</b>	<b>\$ 42,369,666</b>
<b>Contributions as a Percentage of Covered Payroll</b>	<b>40.45 %</b>	<b>41.13 %</b>	<b>48.72 %</b>	<b>36.73 %</b>	<b>34.20 %</b>	<b>31.18 %</b>	<b>30.76 %</b>	<b>30.15 %</b>	<b>27.66 %</b>	<b>27.94 %</b>

See notes to required supplementary information.

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**Northville Public Schools**

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

**Last Eight Fiscal Years  
Years Ended June 30**

	2025	2024	2023	2022	2021	2020	2019	2018
Statutorily required contribution	\$ 1,617,316	\$ 4,293,719	\$ 4,011,751	\$ 4,005,438	\$ 3,927,883	\$ 3,799,270	\$ 3,587,545	\$ 3,232,004
Contributions in relation to the statutorily required contribution	1,617,316	4,293,719	4,011,751	4,005,438	3,927,883	3,799,270	3,587,545	3,232,004
<b>Contribution Deficiency</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>School District's Covered Payroll</b>	<b>\$ 54,317,928</b>	<b>\$ 52,264,112</b>	<b>\$ 49,840,374</b>	<b>\$ 49,151,302</b>	<b>\$ 47,200,208</b>	<b>\$ 47,280,480</b>	<b>\$ 45,671,978</b>	<b>\$ 44,747,710</b>
<b>Contributions as a Percentage of Covered Payroll</b>	<b>2.98 %</b>	<b>8.22 %</b>	<b>8.05 %</b>	<b>8.15 %</b>	<b>8.32 %</b>	<b>8.04 %</b>	<b>7.86 %</b>	<b>7.22 %</b>

See notes to required supplementary information.

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## Northville Public Schools

### Notes to Required Supplementary Information

June 30, 2025

#### Pension Information

The required contributions for the year ended June 30, 2025 include a one-time contribution of \$1,245,572, referred to as 147c(2), related to funding received from the State and remitted to the System for the purpose of contributing additional assets to the System.

#### Benefit Changes

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

#### Changes in Assumptions

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

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

#### OPEB Information

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

#### Benefit Changes

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

#### Changes in Assumptions

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

- 2024 - The health care cost trend rate used in the September 30, 2024 actuarial valuation decreased by 0.25 percentage points for members under 65 and increased by 0.25 percentage points for members over 65.
- 2023 - The health care cost trend rate used in the September 30, 2023 actuarial valuation decreased by 0.25 percentage points for members under 65 and increased by 1.00 percentage 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.

## Northville Public Schools

### Notes to Required Supplementary Information (Continued)

June 30, 2025

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

**APPENDIX D**  
**FORM OF LEGAL OPINION**

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**THRUN**  
LAW FIRM, P.C.

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BRADFORD W. SPRINGER (OF COUNSEL)

**DRAFT LEGAL OPINION**

Northville Public Schools  
Counties of Wayne, Oakland and Washtenaw  
State of Michigan

We have acted as bond counsel in connection with the issuance by Northville Public Schools, Counties of Wayne, Oakland and Washtenaw, State of Michigan (the "Issuer"), of its bonds in the aggregate principal amount of \$\_\_\_\_\_ designated 2026 School Building and Site Bonds, Series II (General Obligation - Unlimited Tax) (the "Bonds"). The Bonds are in fully registered form and issued without coupons, are dated \_\_\_\_\_, 2026, are of \$5,000 denomination or any integral multiple thereof, are subject to redemption prior to maturity at the option of the Issuer in the manner and at the times as set forth in the Bonds, mature on May 1 of each year, and bear interest payable on November 1, 2026, and semiannually thereafter on May 1 and November 1 of each year in the amounts and at the rates as follows:

<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Year</u>	<u>Amount</u>	<u>Rate</u>
-------------	---------------	-------------	-------------	---------------	-------------

The Bonds maturing on May 1, 20\_\_, are term Bonds subject to mandatory redemption in part, by lot, on the redemption dates and at the redemption price equal to the principal amount thereof as provided in the Bonds.

We have examined the documents which we deem authentic and pertinent to the validity of the Bonds, including the certified record evidencing the authorization of the Bonds by the electors and board of education of the Issuer, a copy of the approval of the Department of Treasury of the State of Michigan to issue the Bonds, and a specimen of the Bond certificates.

Based upon the foregoing, we are of the opinion that under existing law:

- (1) the Bonds have been lawfully authorized and issued and are enforceable obligations of the Issuer in accordance with their terms;
- (2) the Bonds are the general obligation of the Issuer for which its full faith, credit and resources have been irrevocably pledged;



Northville Public Schools  
Counties of Wayne, Oakland and Washtenaw  
State of Michigan

\_\_\_\_\_, 2026

Page 2

(3) the Issuer has the power, and is obligated, to levy taxes on all taxable property now situated within the corporate boundaries of the Issuer, without limitation as to rate or amount, sufficient to pay the principal of and interest on the Bonds;

(4) the Bonds and the interest thereon are exempt from all taxation in the State of Michigan, except inheritance and estate taxes and taxes on gains realized from the sale, payment or other disposition thereof; and

(5) the interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, interest on the Bonds held by an “applicable corporation” as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended (the “Code”), is included in annual “adjusted financial statement income” for purposes of calculating the alternative minimum tax imposed on an applicable corporation. The opinions set forth in the preceding sentence are subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Issuer has covenanted to comply with such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

The rights of the owners of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement of such rights may also be subject to the exercise of judicial discretion in appropriate cases.

THRUN LAW FIRM, P.C.

TLF/FGH

**APPENDIX E**  
**FORM OF CONTINUING DISCLOSURE AGREEMENT**

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**FORM OF  
CONTINUING DISCLOSURE AGREEMENT**

§ \_\_\_\_\_

**NORTHVILLE PUBLIC SCHOOLS  
COUNTIES OF WAYNE, OAKLAND AND WASHTENAW  
STATE OF MICHIGAN  
2026 SCHOOL BUILDING AND SITE BONDS, SERIES II  
(GENERAL OBLIGATION - UNLIMITED TAX)**

This Continuing Disclosure Agreement (the “Agreement”) is executed and delivered by Northville Public Schools, Counties of Wayne, Oakland and Washtenaw, State of Michigan (the “Issuer”), in connection with the issuance of its \$ \_\_\_\_\_ 2026 School Building and Site Bonds, Series II (General Obligation - Unlimited Tax) (the “Bonds”). The Bonds are being issued pursuant to resolutions adopted by the Board of Education of the Issuer on February 10, 2026 and \_\_\_\_\_, 2026 (together, the “Resolution”). The Issuer covenants and agrees as follows:

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

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

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

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

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

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

“Financial Obligation” shall mean (a) a debt obligation, (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) a guarantee of (a) or (b) provided; however, that a “Financial Obligation”



shall not include any municipal security for which a final official statement has been provided to the MSRB consistent with the Rule.

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

“MSRB” shall mean the Municipal Securities Rulemaking Board.

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

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

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

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

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

“SEC” shall mean the Securities and Exchange Commission.

“State” shall mean the State of Michigan.

### SECTION 3. Provision of Annual Reports.

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

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

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

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

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

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

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

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

SECTION 5. Reporting of Significant Events.

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

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

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

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

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

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

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

SECTION 6. Termination of Reporting Obligation.

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

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

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

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

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

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

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

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

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

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

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

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

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

NORTHVILLE PUBLIC SCHOOLS  
COUNTIES OF WAYNE, OAKLAND AND  
WASHTENAW  
STATE OF MICHIGAN

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

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

**APPENDIX A**

NOTICE TO THE MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Northville Public Schools, Wayne, Oakland and Washtenaw Counties,  
Michigan

Name of Bond Issue: 2026 School Building and Site Bonds, Series II (General  
Obligation - Unlimited Tax)

Date of Bonds: \_\_\_\_\_, 2026

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

NORTHVILLE PUBLIC SCHOOLS  
COUNTIES OF WAYNE, OAKLAND AND  
WASHTENAW  
STATE OF MICHIGAN

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

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



**APPENDIX B**

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

Name of Issuer: Northville Public Schools, Wayne, Oakland and Washtenaw Counties,  
Michigan

Name of Bond Issue: 2026 School Building and Site Bonds, Series II (General  
Obligation - Unlimited Tax)

Date of Bonds: \_\_\_\_\_, 2026

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

NORTHVILLE PUBLIC SCHOOLS  
COUNTIES OF WAYNE, OAKLAND AND  
WASHTENAW  
STATE OF MICHIGAN

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

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



## APPENDIX C

### SIGNIFICANT EVENT NOTICE COVER SHEET

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

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

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

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

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

Description of Significant Events Notice (Check One):

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

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

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

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

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

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

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

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

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



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