New Haven Community Schools

Financial Statements

June 30, 2017

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Table of Contents

Section		Page
1	**Members of the Board of Education and Administration**	1 - 1
2	**Independent Auditors' Report**	2 - 1
3	**Management's Discussion and Analysis**	3 - 1
4	**Basic Financial Statements**	
	District-wide Financial Statements	
	Statement of Net Position	4 - 1
	Statement of Activities	4 - 3
	Fund Financial Statements	
	Governmental Funds	
	Balance Sheet	4 - 4
	Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	4 - 6
	Statement of Revenues, Expenditures and Changes in Fund Balances	4 - 7
	Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	4 - 9
	Fiduciary Funds	
	Statement of Fiduciary Net Position	4 - 10
	Notes to the Financial Statements	4 - 11

Section		Page
5	**Required Supplementary Information**	
	Budgetary Comparison Schedule – General Fund	5 - 1
	Schedule of the School District's Proportionate Share of the Net Pension Liability	5 - 3
	Schedule of the School District's Contributions	5 - 4
6	**Other Supplementary Information**	
	Nonmajor Governmental Funds	
	Combining Balance Sheet	6 - 1
	Combining Statement of Revenues, Expenditures and Changes in Fund Balances	6 - 2
	Schedule of Outstanding Bonded Indebtedness	6 - 3

New Haven Community Schools
Members of the Board of Education and Administration
June 30, 2017

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Independent Auditors' Report

Management and the Board of Education
New Haven Community Schools
New Haven, Michigan

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of New Haven Community Schools, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of New Haven Community Schools, as of June 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters:

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise New Haven Community Schools' basic financial statements. The other 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.

The other supplementary information, as identified in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information, as identified in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 17, 2017 on our consideration of New Haven Community Schools' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of New Haven Community 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 New Haven Community Schools' internal control over financial reporting and compliance.

Yeo & Yeo, P.C.

Flint, Michigan
October 17, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of New Haven Community 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, 2017. 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 statements. These statements are organized so the reader can understand New Haven Community Schools financially as a whole. The government-wide financial statements provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. The fund financial statements provide the next level of detail. For governmental activities, these statements tell how services were financed in the short term as well as what remains for future spending. The fund financial statements look at the School District's operations in more detail than the government-wide financial statements by providing information about the School District's most significant funds - the General Fund, the Debt Retirement Funds and the 2006 Building and Site Fund - with all other funds presented in one column as nonmajor funds. The remaining statement of fiduciary assets and liabilities presents financial information about activities for which the School District acts solely as an agent for the benefit of students and parents.

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

Basic Financial Statements

District-wide Financial Statements   Fund Financial Statements

Notes to the Basic Financial Statements

Required Supplemental Information

Budgetary Comparison Schedule

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

Schedule of the School District's Contributions

Other Supplemental Information

Reporting the School District as a Whole - District-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 and liabilities, using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. All of the current year's revenue and expenses are taken into account regardless of when cash is received or paid.

These two statements report the School District's net position - the difference between assets and liabilities, 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, child care, 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 Most Significant Funds - 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 Service 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). The governmental funds of the School District use the following accounting approach:

Governmental Funds - All of the School District's services are reported in 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 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 you 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 reconciliations.

The School District as Trustee - Reporting the School District's Fiduciary Responsibilities

The School District is the trustee, or fiduciary, for one fiduciary fund. The student activity fund represents the activities of the student and parent groups for school and school-related purposes and are considered an Agency Fund. All of the School District's fiduciary activities are reported in a separate statement of 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.

The School District as a Whole

Recall that the statement of net position provides the perspective of the School District as a whole. Table 1 provides a comparative summary of the School District's net position as of June 30:

TABLE 1

	Governmental Activities	
	June 30	
	2017	2016
	(in millions)	
Assets		
Current and other assets	$ 4.5	$ 5.7
Capital assets	68.5	69.8
Total assets	73.0	75.5
Deferred Outflows of Resources	3.4	3.1
Total assets and deferred outflows of resources	76.4	78.6
Liabilities		
Current liabilities	3.7	3.7
Net pension liability	17.6	17.1
Long-term liabilities	76.7	78.6
Total liabilities	98.0	99.4
Deferred Inflow of Resources	0.7	0.6
Total liabilities and deferred inflows of resources	98.7	100.0
Net Position		
Net investment in capital assets	(5.5)	(5.9)
Restricted	-	0.7
Unrestricted	(16.7)	(16.2)
Total net position	**$ (22.2)**	**$ (21.4)**

The above analysis focuses on the net position (see Table 1). The change in net position (see Table 2) of the School District's governmental activities is discussed below. The School District's net position was a deficit of $22.2 million at June 30, 2017. Capital assets, net of related debt totaling a negative 5.5 million, compares the original cost, less depreciation of the School Districts 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 comes due. The remaining amount of net position (a deficit of $16.7 million) was unrestricted.

As required by the Government Accounting Standards Board (GASB) the School District adopted GASB 68 and 71. These standards required the inclusion of the district's proportionate share of the Michigan Public School Employees Retirement Plan within the District's financial statements, effective July 1, 2014. The effect of the adoption was to decrease the July 1, 2014 beginning net position by $15.7 million and the inclusion of the obligation, and related deferred inflows and outflows, in the June 30, 2015 financial statements. All governments participating in the retirement plan were required to adopt these new standards.

The $16.7 million deficit in unrestricted net position of governmental activities represents the accumulated results of all past years' operations. The unrestricted net position balance enables the School District to meet working capital and cash flow requirements as well as to provide for future uncertainties. A total of 17.6 million of this deficit unrestricted net position is the School Districts proportionate share of the net pension liability related to the Michigan Public Schools Employees' Retirement System. The operating results of the General Fund will have a significant impact on the change in unrestricted net assets from year to year.

The results of this year's operations for the School District as a whole are reported in the statement of activities, which shows the changes in net position for fiscal years 2017 and 2016 (see Table 2).

TABLE 2

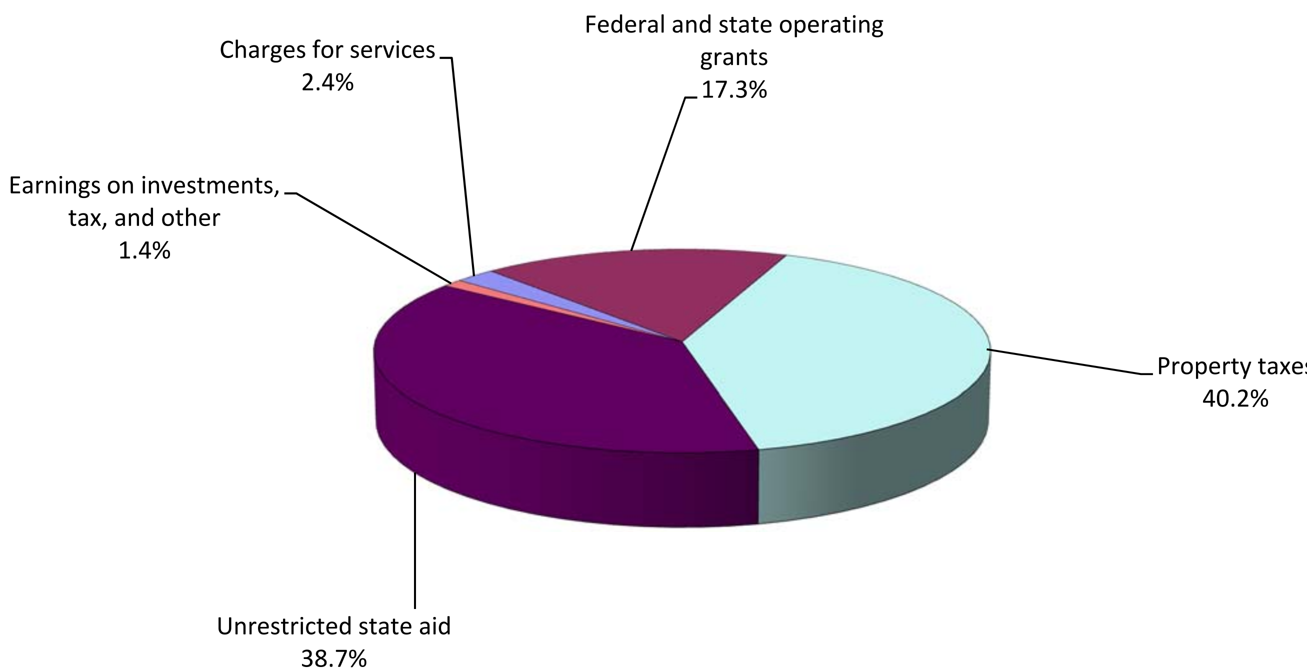
	Governmental Activities Year Ended June 30 2017	Governmental Activities Year Ended June 30 2016
	(in millions)	
Revenue		
Program revenue:		
Charges for services	$ 0.4	$ 0.3
Operating grants	3.0	2.4
General revenue:		
Property taxes	6.9	7.4
State foundation allowance	6.6	6.6
Other	0.2	0.4
Total revenue	17.1	17.1
Functions/Program Expenses		
Instruction	$ 7.2	$ 6.6
Support services	4.9	4.6
Athletics	-	-
Food services	0.5	0.5
Community services	0.2	0.2
Payments to other public schools	-	0.3
Interest and other expenses on long-term debt	3.0	2.6
Depreciation (unallocated)	2.0	2.0
Total functions/program expenses	17.8	16.8
Impairment Loss	-	(3.8)
Decrease in Net Position	(0.7)	(3.5)
Net Position - Beginning of year	(21.5)	(18.0)
Net Position - End of year	**$ (22.2)**	**$ (21.5)**

As reported in the statement of activities, the cost of all our governmental activities this year was $17.8 million. Certain activities were partially funded from those who benefited from the programs, $0.4 million, or by other governments and organizations that subsidized certain programs with grants and contributions, $3.0 million. We paid for the remaining "public benefit" portion of our governmental activities with $6.9 million in taxes, $6.6 million in unrestricted state aid, and $0.2 million of our other revenue (i.e., interest and general entitlements).

The School District experienced a decrease in net position of $.7 million. The key reason for the change in net position are comprised of a $0.5 million increase in the District's net pension liability. A reconciliation of the changes in net position appears in the basic financial statements.

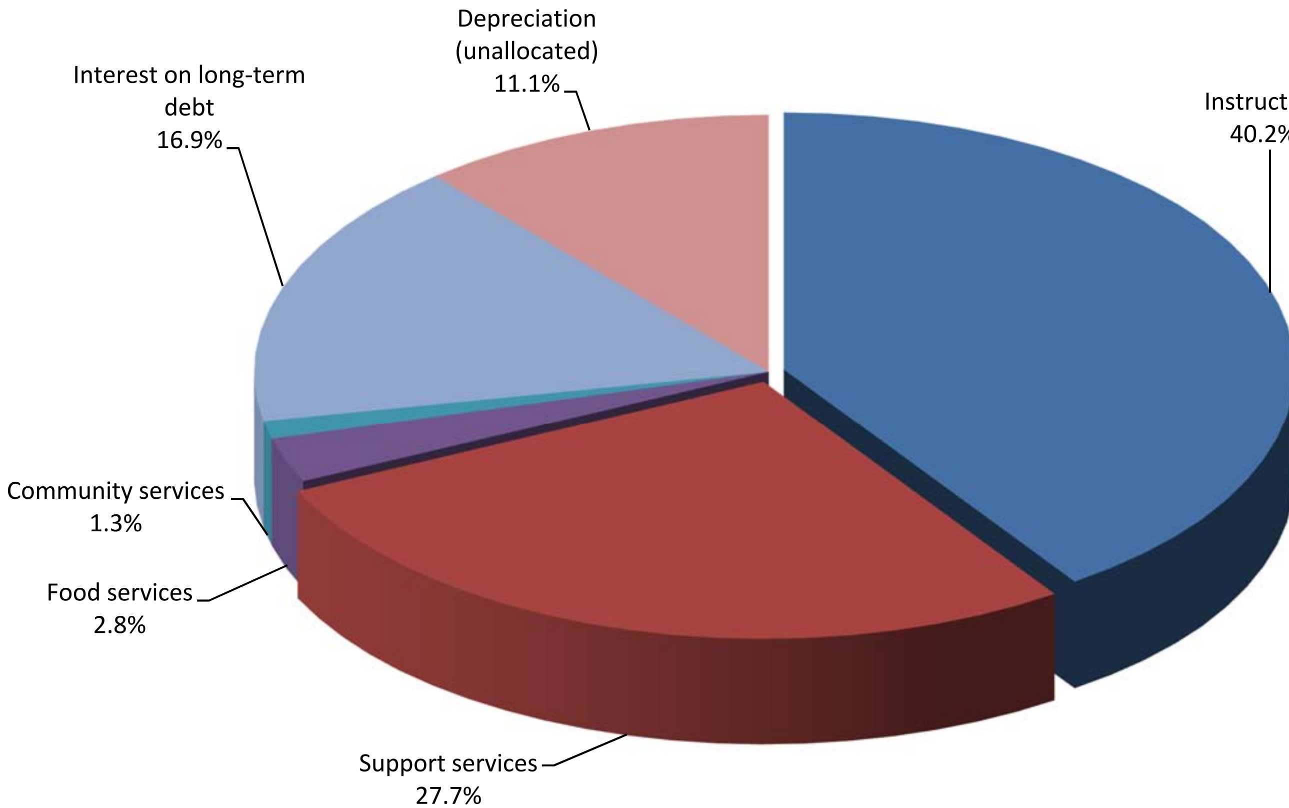
As discussed above, the net cost shows the financial burden that was placed on the State and the School District's taxpayers by each of these functions. Since property taxes for operations and unrestricted state aid constitute the vast majority of district operating revenue sources, the Board of Education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

Analysis of Revenue - Governmental Activities
Year Ended June 30, 2017



Analysis of Expenses - Governmental Activities

Year Ended June 30, 2017



The School District's Funds

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

As the School District completed this year, the governmental funds reported a combined fund balance of $2.8 million, which is a decrease from last year of $1.3 million. The primary reasons for changes within major funds are as follows:

- In the General Fund, our principal operating fund, the fund balance increased approximately $87,500, allowing the School District to emerge from a deficit to a positive fund balance of approximately$22,400.
- Combined, the debt service funds showed a fund balance decrease of approximately $450,100. Millage rates are determined annually to ensure that the School District accumulates sufficient resources to pay annual bond issue-related debt service. Debt service funds fund balances are reserved since they can only be used to pay debt service obligations.
- The 2006 building and site fund showed a fund balance decrease of approximately $680,400 as the School District continued construction projects related primarily to the 2006 bond issue. Bonded capital projects funds balances are reserved for capital projects.

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. A schedule showing the School District's original and final budget amounts compared with amounts actually paid and received is provided as required supplemental information of these financial statements. Changes in the General Fund original budget compared to the final budget were as follows:

- Budgeted revenue decreased by approximately $115,700. Interdistrict sources were decreased in anticipation of decreased use of a shared service agreement with L'Anse Creuse Public Schools. State revenue was increased for increased use of categorical grants. Federal revenue decreased for anticipated decreases in federal grants.

- Budgeted expenditures increased by approximately $122,000 in anticipation of increased costs associated with retirement benefits.
- Overall, the favorable variance between the budgeted and actual revenue was favorable by approximately $47,400 which is less than .4% of total revenues. The favorable variance in expenditures of approximately $139,300 is mainly attributed to favorable contract negotiations throughout the fiscal year.

Capital Assets and Debt Administration

Capital Assets

As of June 30, 2017, the School District had $69.5 million invested in a broad range of net capital assets, including land, buildings, vehicles, furniture, and equipment.

	2017	2016
Land	$ 5,676,624	$ 5,676,624
Construction in progress	198,463	-
Land Improvements	1,251,709	1,126,174
Buildings and building improvements	76,542,036	76,362,025
Buses and other vehicles	4,215,200	4,065,147
Furniture and equipment	1,044,538	1,135,211
Total capital assets	88,928,570	88,365,181
Less accumulated depreciation	20,416,352	18,564,958
Net capital assets	**$ 68,512,218**	**$ 69,800,223**

This year's addition of approximately $563,000 includes building additions, technology, building renovations, as well as buses. Existing debt originally issued in 2006 funded all additions with the except for buses that are funded from the General Fund.

Several capital projects are planned for the 2015-2016 fiscal year. We anticipate capital additions will be equal to the amount spent in the 2016-2017 fiscal year. We present more detailed information about our capital assets in Note 4 to the financial statements.

Debt

At the end of this year, the School District had approximately $68 million in bonds outstanding versus $72.1 million in the previous year - a decrease of 5.8 percent. The bonds consisted of the following:

	2017	2016
General obligation bonds	**$ 67,975,000**	**$ 72,100,000**

The School District's general obligation bond rating from Moody's is Aa1. 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. All of the School District's bonded indebtedness is qualified, not subject to the statutorily imposed bonded debt limit.

Other obligations include School Loan Revolving Fund obligations, accrued vacation and sick leave pay, capital lease obligations, and bond premiums and discounts, totaling approximately $8.8 million. We present more detailed information about our long-term liabilities in Note 9 to the financial statements.

Economic Factors and Next Year's Budgets and Rates

Our elected officials and administration consider many factors when setting the School District's 2018 fiscal year budget. One of the most important factors affecting the budget is our student count. The state foundation revenue is determined by multiplying the blended student count by the foundation allowance per pupil. The blended count for the 2017-2018 fiscal year is anticipated to be 10 percent and 90 percent of the February 2017 and October 2017 student counts, respectively. Any change in the blended student count calculation could result in revenue loss for the School District. The 2017-2018 budget was adopted in June 2017, based on an estimate of students that will be enrolled in October 2016.

Approximately 80 percent of total General Fund revenue is from the foundation allowance. Under state law, the School District cannot assess 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. The State HB4313 school aid bill indicates a foundation allowance increase from the previous year per pupil of $120 to $7,631 for New Haven Community Schools. Additionally, New Haven Community Schools anticipates approximately $129,000 in increased Section 31, At-Risk categorical funding. The budget will be adjusted accordingly in the fall based on the October 2017 audited pupil count and the final adopted State aid bill.

Since the School District's revenue is heavily dependent on state funding and the health of the State's School Aid Fund, the actual revenue received depends on the State's ability to collect revenue to fund its appropriation to school districts.

The School District currently has four associations as part of its workforce. The Secretaries association/MEA, the Paraprofessionals association/MEA and the Transportation association/MEA contracts run through the end of the 2018-2019 fiscal year. The teachers association/MEA contract runs through August 2018.

Contacting the School District's Financial Management

This financial report is designed to provide the School District's citizens, parents, and investors with a general overview of the School District's finances and to demonstrate the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the business office at the Harry L. Wheeler Community Center, 24076 F.V. Pankow Boulevard, Clinton Township, Michigan 48036-1304.

BASIC FINANCIAL STATEMENTS

New Haven Community Schools
Statement of Net Position
June 30, 2017

	Governmental Activities
Assets	
Cash and investments	$ 1,921,334
Accounts receivable	1,843,967
Due from other governmental units	3,250
Due from agency fund activities	44,430
Inventory	6,597
Prepaid items	29,749
Restricted assets	680,082
Capital assets not being depreciated	5,875,087
Capital assets - net of accumulated depreciation	62,637,131
Total assets	73,041,627
Deferred Outflows of Resources	
Deferred amount relating to the net pension liability	2,275,205
Deferred amount on debt refunding	1,123,133
Total deferred outflows of resources	3,398,338
Total assets and deferred outflows of resources	76,439,965

New Haven Community Schools
Statement of Net Position
June 30, 2017

	Governmental Activities
Liabilities	
Accounts payable	489,556
State aid anticipation note payable	1,500,000
Due to agency fund activities	288
Payroll deductions and withholdings	54,984
Accrued expenditures	977,155
Accrued salaries payable	626,437
Unearned revenue	23,052
Noncurrent liabilities	
Net pension liability	17,604,721
Due within one year	7,705,047
Due in more than one year	69,021,297
Total liabilities	98,002,537
Deferred Inflows of Resources	
Deferred amount relating to the net pension liability	660,618
Total liabilities and deferred inflows of resources	98,663,155
Net Position	
Net investment in capital assets	(5,544,586)
Unrestricted (deficit)	(16,678,604)
Total net position	$ (22,223,190)

See Accompanying Notes to the Financial Statements

New Haven Community Schools
Statement of Activities
For the Year Ended June 30, 2017

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
Functions/Programs				
Governmental activities				
Instruction	$ 7,176,773	$ -	$ 1,692,990	$ (5,483,783)
Supporting services	4,936,711	58,831	924,865	(3,953,015)
Food services	502,279	115,836	340,596	(45,847)
Community services	234,945	231,777	-	(3,168)
Interest and fiscal charges on long-term debt	3,018,154	-	-	(3,018,154)
Depreciation expense (unallocated)*	1,970,851	-	-	(1,970,851)
Total governmental activities	$ 17,839,713	$ 406,444	$ 2,958,451	(14,474,818)
General revenues				
Property taxes, levied for general purposes				2,648,940
Property taxes, levied for debt service				4,222,656
State aid - unrestricted				6,622,052
Interest and investment earnings				5,384
Gain on sale of capital assets				12,590
Other				231,122
Total general revenues				13,742,744
Change in net position				(732,074)
Net position - beginning				(21,491,116)
Net position - ending				$(22,223,190)

* - Depreciation expense is unallocated, therefore, there was no direct depreciation charged to the various programs

See Accompanying Notes to the Financial Statements

New Haven Community Schools
Governmental Funds
Balance Sheet
June 30, 2017

	General Fund	Debt Service Funds	2006 Building and Site	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and investments	$ 1,058,114	$ 84,696	$ 739,773	$ 38,751	$ 1,921,334
Accounts receivable	1,820,788	-	-	23,179	1,843,967
Due from other funds	28,173	37,783	-	18,765	84,721
Due from other governmental units	-	-	-	3,250	3,250
Due from agency fund activities	44,430	-	-	-	44,430
Inventory	-	-	-	6,597	6,597
Prepaid items	29,749	-	-	-	29,749
Restricted assets	-	-	680,082	-	680,082
Total assets	$ 2,981,254	$ 122,479	$ 1,419,855	$ 90,542	$ 4,614,130
Liabilities					
Accounts payable	$ 216,972	$ -	$ 271,028	$ 1,556	$ 489,556
State aid anticipation note payable	1,500,000	-	-	-	1,500,000
Due to other funds	56,548	8,812	1,705	17,656	84,721
Due to agency fund activities	-	-	-	288	288
Payroll deductions and withholdings	54,984	-	-	-	54,984
Accrued expenditures	480,856	-	-	-	480,856
Accrued salaries payable	626,437	-	-	-	626,437
Unearned revenue	23,052	-	-	-	23,052
Total liabilities	2,958,849	8,812	272,733	19,500	3,259,894

New Haven Community Schools
Governmental Funds
Balance Sheet
June 30, 2017

	General Fund	Debt Service Funds	2006 Building and Site	Nonmajor Governmental Funds	Total Governmental Funds
Fund Balance					
Non-spendable					
Inventory	-	-	-	6,597	6,597
Prepaid items	29,749	-	-	-	29,749
Restricted for					
Food service	-	-	-	64,445	64,445
Debt service	-	113,667	-	-	113,667
Capital projects	-	-	1,147,122	-	1,147,122
Unassigned	(7,344)	-	-	-	(7,344)
Total fund balance	22,405	113,667	1,147,122	71,042	1,354,236
Total liabilities and fund balance	$ 2,981,254	$ 122,479	$ 1,419,855	$ 90,542	$ 4,614,130

See Accompanying Notes to the Financial Statements

New Haven Community Schools

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

June 30, 2017

Total fund balances for governmental funds	$ 1,354,236
Total net position for governmental activities in the statement of net position is different because	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	
Capital assets not being depreciated	5,875,087
Capital assets - net of accumulated depreciation	62,637,131
Deferred outflows (inflows) of resources	
Deferred outflows of resources resulting from debt refunding	1,123,133
Deferred inflows of resources resulting from the net pension liability	(660,618)
Deferred outflows of resources resulting from the net pension liability	2,275,205
Certain liabilities are not due and payable in the current period and are not reported in the funds	
Accrued interest	(461,865)
Long-term liabilities applicable to governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities	
Net pension liability	(17,604,721)
Compensated absences	(399,285)
Tax overpayment payable	(34,434)
Bonds payable	(73,000,651)
School bond loan payable, including interest	(2,770,142)
Other loans payable and liabilities	(556,266)
Net position of governmental activities	$ (22,223,190)

See Accompanying Notes to the Financial Statements

New Haven Community Schools
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2017

	General Fund	Debt Service Funds	2006 Building and Site	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Local sources	$ 2,938,333	$ 4,222,656	$ 4,109	$ 347,620	$ 7,512,718
State sources	8,344,476	-	-	16,695	8,361,171
Federal sources	883,953	-	-	323,901	1,207,854
Interdistrict sources	1,828	-	-	-	1,828
Total revenues	12,168,590	4,222,656	4,109	688,216	17,083,571
Expenditures					
Current					
Education					
Instruction	7,076,633	-	-	-	7,076,633
Supporting services	4,867,695	-	-	133	4,867,828
Athletics					
Food services	-	-	-	495,270	495,270
Community services	17	-	-	231,651	231,668
Facilities acquisition	-	-	684,544	7,285	691,829
Capital outlay	54,279	-	-	-	54,279
Debt service					
Principal	109,640	4,125,000	-	-	4,234,640
Interest and other expenditures	20,266	3,297,769	-	-	3,318,035
Total expenditures	12,128,530	7,422,769	684,544	734,339	20,970,182
Excess (deficiency) of revenues over expenditures	40,060	(3,200,113)	(680,435)	(46,123)	(3,886,611)

See Accompanying Notes to the Financial Statements

New Haven Community Schools
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2017

	General Fund	Debt Service Funds	2006 Building and Site	Nonmajor Governmental Funds	Total Governmental Funds
Other Financing Sources (Uses)					
Proceeds from school bond loan fund	-	2,750,000	-	-	2,750,000
Proceeds from sale of capital assets	19,445	-	-	-	19,445
Transfers in	28,000	-	-	-	28,000
Transfers out	-	-	-	(28,000)	(28,000)
Total other financing sources (uses)	47,445	2,750,000	-	(28,000)	2,769,445
Net change in fund balance	87,505	(450,113)	(680,435)	(74,123)	(1,117,166)
Fund balance - beginning	(65,100)	563,780	1,827,557	145,165	2,471,402
Fund balance - ending	$ 22,405	$ 113,667	$ 1,147,122	$ 71,042	$ 1,354,236

New Haven Community Schools
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2017

Net change in fund balances - Total governmental funds	$ (1,117,166)
Total change in net position reported for governmental activities in the statement of activities is different because:	
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.	
Operating grants	11,478
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Depreciation expense	(1,970,851)
Capital outlay	689,701
Sale of capital assets (net book value)	(6,855)
Expenses are recorded when incurred in the statement of activities.	
Interest	(791)
Compensated absences	7,904
The statement of net position reports the net pension liability and deferred outflows of resources and deferred inflows related to the net pension liability and pension expense. However, the amount recorded on the governmental funds equals actual pension contributions.	
Net change in the net pension liability	(511,027)
Net change in deferrals of resources related to the net pension liability	414,243
Net change between actual pension contributions and the cost of benefits earned net of employee contributions	(34,022)
Bond and note proceeds and capital leases are reported as financing sources in the governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are recorded as liabilities and amortized in the statement of activities. When debt refunding occurs, the difference in the carrying value of the refunding debt and the amount applied to the new debt is reported the same as regular debt proceeds or repayments, as a financing source or expenditure in the governmental funds. However, in the statement of net position, debt refunding may result in deferred inflows of resources or deferred outflows of resources, which are then amortized in the statement of activities.	
Debt issued	(2,750,000)
Repayments of long-term debt	4,234,640
Amortization of deferred amount on debt refunding	(89,978)
Amortization of premiums	397,186
Amortization of bond discount	(6,536)
Change in net position of governmental activities	$ (732,074)

See Accompanying Notes to the Financial Statements

New Haven Community Schools
Fiduciary Funds
Statement of Fiduciary Net Position
June 30, 2017

	Agency Funds
Assets	
Cash and investments	$ 197,246
Due from other funds	288
Total assets	$ 197,534
Liabilities	
Accounts payable	11,228
Due to other funds	44,430
Due to student activities	141,876
Total liabilities	$ 197,534

See Accompanying Notes to the Financial Statements

Note 1 - Summary of Significant Accounting Policies

The accounting policies of the New Haven Community Schools (School District) conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the School District's significant accounting policies:

Reporting Entity
The School District is governed by an elected seven-member Board of Education. The accompanying financial statements have been prepared in accordance with criteria established by the Governmental Accounting Standards Board for determining the various governmental organizations to be included in the reporting entity. These criteria include significant operational financial relationships that determine which of the governmental organizations are a part of the School District's reporting entity, and which organizations are legally separate component units of the School District. The School District has no component units.

District-wide Financial Statements
The School District's basic financial statements include both district-wide (reporting for the district as a whole) and fund financial statements (reporting the School District's major funds). The district–wide financial statements categorize all nonfiduciary activities as either governmental or business type. All of the School District's activities are classified as governmental activities.

The statement of net position presents governmental activities on a consolidated basis, using the economic resources measurement focus and accrual basis of accounting. This method recognizes all long-term assets and receivables as well as long-term debt and obligations. The School District's net position is reported in three parts (1) net investment in capital assets, (2) restricted net position, and (3) unrestricted net position.

The statement of activities reports both the gross and net cost of each of the School District's functions. The functions are also supported by general government revenues (property taxes and certain intergovernmental revenues). The statement of activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants.

The net costs (by function) are normally covered by general revenue (property taxes, state sources and federal sources, interest income, etc.). In creating the district-wide financial statements the School District has eliminated interfund transactions.

The district-wide focus is on the sustainability of the School District as an entity and the change in the School District's net position resulting from current year activities.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, unrestricted state aid, intergovernmental grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be available only when cash is received by the government.

Fiduciary fund statements also are reported using the economic resources measurement focus and the accrual basis of accounting.

The School District reports the following major governmental funds:

General Fund – The General Fund is used to record the general operations of the School District pertaining to education and those operations not required to be provided for in other funds.

Debt Service Funds – Debt Service Funds are used to record tax, interest, and other revenue and the payment of interest, principal, and other expenditures on long-term debt.

2006 Building and Site Fund – The 2006 Building and Site Fund is used to account for and report the restricted bond proceeds from the 2006 bond issue and other financial resources that are restricted to expenditures in connection with purchasing/constructing new school buildings, equipment, remodeling, and repairs.

Additionally, the School District reports the following fund types:

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes. The School District's Special Revenue Funds include the Food Service Fund and Latchkey/Paid Preschool Funds. Operating deficits generated by these activities are generally transferred from the General Fund.

Capital Projects Fund – Capital projects funds are used to account for all financial resources that are restricted, committed, or assigned for the purchase or the renovation of the School District's buildings or other capital projects. The School District has three Capital Projects Funds, which are the 1997 Building and Site, the 2002 Building and Site, and the 2006 Building and Site Fund as reported above.

Fiduciary Funds – Fiduciary Funds are used to account for assets held by the School District in a trustee capacity or as an agent. The Agency Fund is custodial in nature (assets equal liabilities) and does not involve the measurement of results of operations. This fund is used to record the transactions of student groups for school and school-related purposes.

Assets, Liabilities and Net Position or Equity

Cash and Investments – Cash includes 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 certain investment pools which are state at amortized cost.

Receivables and Payables – Generally, outstanding amounts owed between funds are classified as "due from/to other funds". These amounts are caused by transferring revenues and expenses between funds to get them into the proper reporting fund. These balances are paid back as cash flow permits.

All trade and property tax receivables are shown net of an allowance for uncollectible amounts. The School District considers all accounts receivable to be fully collectible; accordingly, no allowance for uncollectible amounts is recorded.

Property taxes collected are based upon the approved tax rate for the year of levy. For the fiscal year ended June 30, 2017, the rates are as follows per $1,000 of assessed value.

General Fund	
Non-principal residence exemption	18.00000
Commercial personal property	6.00000
Debt Service Funds	7.36000

School property taxes are assessed and collected in accordance with enabling state legislation by cities and townships within the School District's boundaries. 100% of the School District's tax roll lies within Macomb County

The property tax levy runs from July 1 to June 30. Property taxes become a lien on the first day of the levy year and are due on or before September 14 or February 14. Collections are forwarded to the School District as collected by the assessing municipalities. Real property taxes uncollected as of March 1 are purchased by the County of Macomb and remitted to the School District by May 15.

Inventories and Prepaid Items – Inventories are valued at cost, on a first-in, first-out basis. Inventories of governmental funds are recorded as expenditures when consumed, rather than when purchased.

Certain payments to vendors reflect costs applicable to future fiscal years. For such payments in governmental funds the School District follows the consumption method, and they therefore are capitalized as prepaid items in both district-wide and fund financial statements.

Capital Assets – Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair market value at the date of donation. The School District defines capital assets as assets with an initial individual cost in excess of $5,000. Costs of normal repair and maintenance that do not add to the value or materially extend asset lives are not capitalized. The School District does not have infrastructure assets. Buildings, equipment, and vehicles are depreciated using the straight-line method over the following useful lives:

Land improvements	20 years
Buildings and improvements	25-50 years
Equipment and furniture	10-20 years
Buses and other vehicles	8 years

Deferred Outflows of Resources – A deferred outflow of resources is a consumption of net position by the government that is applicable to a future reporting period. Deferred amounts on bond refundings are included in the district-wide financials statements. The amounts represent the difference between the reacquisition price and the net carrying amount of the prior debt. For district-wide financial statements, the School District reports deferred outflows of resources as a result of pension earnings. This amount is the result of a difference between what the plan expected to earn from plan investments and what is actually earned. This amount will be amortized over the next four years and included in pension expense. Changes in assumptions relating to the net pension liability are deferred and amortized over the expected remaining services lives of the employees and retirees in the plan. The School District also reported deferred outflows of resources for pension contributions made after the measurement date. This amount will reduce net pension liability in the following year.

Compensated Absences – The liability for compensated absences reported in the district-wide statements consists of earned but unused accumulated sick leave benefits. A liability for these amounts is reported in governmental funds as it comes due for payment. The liability has been calculated using the vesting method, in which leave amounts for both employees who are currently eligible to receive termination payments at normal retirement age and other employees who are expected to become eligible in the future to receive such payments upon normal retirement are included.

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

In the School District's fund financial statements, the face amount of the debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts are reported as other financing uses.

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

Deferred Inflows of Resources – A deferred inflow of resources is an acquisition of net position by the government that is applicable to a future reporting period. For governmental funds this includes unavailable revenue in connection with receivables for revenues that are not considered available to liquidate liabilities of the current period. For district-wide financial statements, the School District reports deferred inflows of resources as a result of pension earnings. This amount is the result of a difference between what the plan expected to earn from the plan investments and what the plan actually earned. This amount will be amortized over the next four years and included in pension expense. Changes in assumptions relating to the net pension liability are deferred and amortized over the expected remaining services lives of the employees and retirees in the plan. Deferred inflows of resources also includes revenue received relating to the amounts included in the deferred outflows for payments related to MPSERS Unfunded Actuarial Accrued Liabilities (UAAL) Stabilization defined benefit pension statutorily required contributions.

Fund Equity – In the fund financial statements, governmental funds report fund balance in the following categories:

Non-spendable – amounts that are not available in a spendable form.

Restricted – amounts that are legally imposed or otherwise required by external parties to be used for a specific purpose.

Committed – amounts that have been formally set aside by the Board of Education for specific purposes. A fund balance commitment may be established, modified, or rescinded by a resolution of the Board of Education.

Assigned – amounts intended to be used for specific purposes, as determined by the Board of Education. Residual amounts in governmental funds other than the General Fund are automatically assigned by their nature.

Unassigned – all other resources; the remaining fund balances after non-spendable, restrictions, commitments and assignments.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the School District's policy is to consider restricted funds spent first.

When an expenditure is incurred for purposes for which committed, assigned, or unassigned amounts could be used, the School District's policy is to consider the funds to be spent in the following order: (1) committed, (2) assigned, (3) unassigned.

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, as well as deferred inflows and deferred outflows of resources at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

Eliminations and Reclassifications

In the process of aggregating data for the statement of net position and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

Adoption of New Accounting Standards

Statement No. 77, *Tax Abatement Disclosures* requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues. The requirements of this Statement are effective for the fiscal year ending June 30, 2017.

Upcoming Accounting and Reporting Changes

Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined OPEB plans, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee services. It also requires additional note disclosures and required supplementary information. Statement No. 75 is effective for the fiscal year ending June 30, 2018.

Statement No. 81, *Irrevocable Split-Interest Agreements*. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. Statement No. 81 is effective for the fiscal year ending June 30, 2018.

Statement No. 83, *Certain Asset Retirement Obligations* establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. The requirements of this Statement are effective for the fiscal year ending June 30, 2019.

Statement No. 84, *Fiduciary Activities* improves the guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The focus of the criteria includes the following: (1) is the government controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. The four fiduciary funds that should be reported, if applicable are: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally will report fiduciary activities that are not held in a trust or similar arrangement that meets specific criteria. The requirements of this Statement are effective for the fiscal year ending June 30, 2020.

Statement No. 85, *Omnibus 2017* addresses practice issues that were identified during implementation and application of certain GASB Statements. This statement covers issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits), which is effective for the fiscal year ending June 30, 2018.

Statement No. 86, *Certain Debt Extinguishment Issues* is to improve consistency in accounting and financial reporting for in-substance defeasance of debt. The statement provides uniform guidance for derecognizing debt that is defeased in substance, regardless of how cash and other monetary assets placed in an irremovable trust for the purpose of extinguishing that debt were acquired. The effective date is for the fiscal year ending June 30, 2018.

The School District is evaluating the impact that the above pronouncements will have on its financial reporting.

Note 2 - Stewardship, Compliance, and Accountability

Budgetary Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America and state law for the General and Special Revenue Funds. All annual appropriations lapse at fiscal year end, thereby canceling all encumbrances. These appropriations are reestablished at the beginning of the year.

The budget document presents information by fund and function. The legal level of budgetary control adopted by the governing body is the function level. State law requires the School District to have its budget in place by July 1. A district is not considered in violation of the law if reasonable procedures are in use by the School District to detect violations.

The Superintendent is authorized to transfer budgeted amounts between functions within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education.

Budgeted amounts are as originally adopted or as amended by the Board of Education throughout the year.

Excess of Expenditures over Appropriations

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

Function	Final Budget	Amount of Expenditures	Budget Variance
General Fund			
Added needs	$ 1,445,300	$ 1,457,590	$ 12,290
Business	241,600	305,198	63,598
Capital outlay	53,091	54,279	1,188

District-Wide Deficits

The School District has an overall net position deficit for District-Wide activities in the amount of $ 22,223,190 as of June 30, 2017.

Fund Deficits
The School District has an unassigned fund balance deficit in the General Fund in the amount of $ 7,344 as of June 30, 2017. However, the fund balance as a whole was positive and therefore, the School District is not considered to be in a deficit per the Michigan Department of Education. The unassigned deficit was caused by prepaid expenses. The amount of prepaid expenses was greater than the overall fund balance at year end.

Note 3 - Deposits and Investments

The School District's deposits and investments were reported in the basic financial statements in the following categories:

	Governmental Activities	Fiduciary Funds	Total Primary Government
Cash	$ 1,921,334	$ 197,246	$ 2,118,580
Restricted Assets	680,082	-	680,082
	$ 2,601,416	$ 197,246	$ 2,798,662

The breakdown between deposits and investments for the School District is as follows:

Deposits (checking, savings accounts, money markets, certificates of deposit)	$ 2,682,282
Investments in securities, mutual funds, and similar vehicles	116,380
Total	$ 2,798,662

As of year end, the School District had the following investments:

Investment	Fair Value	Maturities	Rating	Rating Organization
Michigan Liquid Asset Fund	$ 116,380	N/A	AAAm	Standard & Poor's

Interest rate risk – The School District's minimizes interest rate risk by structuring investments only in money market mutual funds, the Michigan Liquid Asset fund, and cash investments.

Credit risk – State statutes authorize the School District to make deposits in the accounts of federally insured banks, credit unions, and savings and loan associations that have an office in Michigan; the School District is allowed to invest in U.S. Treasury or Agency obligations, U.S. government repurchase agreements, bankers' acceptances, commercial paper rated prime at the time of purchase that matures not more than 270 days after the date of purchase, mutual funds, and investment pools that are composed of authorized investment vehicles. The School District has no investment policy that would further limit its investment choices.

Concentration of credit risk – The School District has no policy that would limit the amount that may be invested with any one issuer.

Custodial credit risk – deposits – In the case of deposits, this 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. As of year-end, $ 2,189,828 of the School District's bank balance of $ 2,701,816 was exposed to custodial credit risk because it was uninsured and uncollateralized.

Custodial credit risk – investments – For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of year end, none of the School District's investments were exposed to custodial credit risk.

Note 4 - 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; Level 3 inputs are significant unobservable inputs.

The School District has the following recurring fair value measurements as of June 30, 2017:

Amounts invested in MILAF + Portfolio of $ 116,380. The MILAF + Portfolio is not registered under Rule 2a-7 under the Investment Company Act of 1940. The money market securities are valued using amortized cost, which generally approximates the current fair value of the security. However, the value is not obtained from a quoted price in an active market. (Level 2 inputs)

Note 5 - Capital Assets

A summary of the changes in governmental capital assets is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	$ 5,676,624	$ -	$ -	$ 5,676,624
Construction-in-progress	-	198,463	-	198,463
Total capital assets not being depreciated	5,676,624	198,463	-	5,875,087
Capital assets being depreciated				
Land improvements	1,126,174	125,535	-	1,251,709
Buildings and improvements	76,362,025	180,011	-	76,542,036
Equipment and furniture	4,065,147	150,053	-	4,215,200
Buses and other vehicles	1,135,211	35,639	126,312	1,044,538
Subtotal	82,688,557	491,238	126,312	83,053,483
Less accumulated depreciation for				
Land improvements	546,489	59,448	-	605,937
Building and improvements	15,792,149	1,512,928	-	17,305,077
Equipment and furniture	1,799,427	294,264	-	2,093,691
Buses and other vehicles	426,893	104,211	119,457	411,647
Total accumulated depreciation	18,564,958	1,970,851	119,457	20,416,352
Net capital assets being depreciated	64,123,599	(1,479,613)	6,855	62,637,131
Net capital assets	$ 69,800,223	$ (1,281,150)	$ 6,855	$ 68,512,218

Depreciation expense was not charged to activities as the School District considers its assets to impact multiple activities and allocation is not practical. Unallocated depreciation expense, as reported on the statement of activities, does not include direct depreciation expense of the various programs. Disposals relate to normal disposal of assets which are no longer held by the School District.

Construction Contracts

As of year end, the School District has the following construction contracts in progress:

	Total Contract	Remaining Construction Commitment at Year End	Contract Payable at Year End
Project			
High School Foundation	$ 427,832	$ 229,369	$ 198,463

Note 6 - Interfund Receivables, Payables, and Transfers

Individual interfund receivable and payable balances at year end were:

Due From Fund	Due to Fund	Amount
General Fund	Debt Funds	$ 37,783
General Fund	Nonmajor funds	18,765
Nonmajor funds	General Fund	17,656
2006 Building & Site	General Fund	1,705
Debt Funds	General Fund	8,812
		$ 84,721

The outstanding balances between funds result mainly from the time lag between the dates that transactions are recorded in the accounting system and payments between funds are made.

Management does not anticipate individual interfund balances to remain outstanding for periods in excess of one year.

Interfund transfers consist of the following:

	Transfers Out
	Nonmajor Governmental Funds
Transfers in	
General Fund	$ 28,000

These transfers were made to transfer allowable indirect costs charged incurred from food service activities.

Note 7 - Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received but not yet earned. At the end of the current fiscal year, the components of unearned revenue are as follows:

	Unearned
Grant and categorical aid payments received prior to meeting all eligibility requirements	$ 23,052

Note 8 - Leases

Capital Leases

The School District entered into a lease agreement as lessee for financing the purchase of buses with Tax-Exempt Leasing Corporation. These lease agreements qualify as capital leases for accounting purposes and therefore, have been recorded at the present value of the future minimum lease payments as of the inception dates. The future minimum lease obligations and the net present value are as follows:

Year ending June 30,	
2018	$ 339,492
2019	228,903
Total minimum lease payments	568,395
Less amount representing interest	(12,130)
Present value of minimum lease payments	$ 556,265

The assets acquired through capital leases are as follows:

Assets	
Buses and other vehicles	$ 815,827
Less accumulated depreciation	(209,492)
Total	$ 606,335

Note 9 - State Aid Anticipation Note

The School District issues state aid anticipation notes in advance of state aid collections, depositing the proceeds in the General Fund. These notes are necessary because the School District receives state aid from October through the following August for its fiscal year ending June 30th.

Short-term debt activity for the year was as follows:

	Beginning Balance	Proceeds	Repayments	Ending Balance
State aid anticipation note	$ 1,700,000	$ 1,500,000	$ 1,700,000	$ 1,500,000

Note 10 - Long-Term Debt

The School District issues bonds, notes, and other contractual commitments to provide for the acquisition and construction of major capital facilities and the acquisition of certain equipment. General obligation bonds are direct obligations and pledge the full faith and credit of the School District. Other long-term obligations include compensated absences, claims and judgments, termination benefits, and certain risk liabilities.

Long-term obligation activity is summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due Within One Year
Government obligation bonds	$ 72,100,000	$ -	$ 4,125,000	$ 67,975,000	$ 7,380,000
School Loan Revolving Fund	3,183	2,750,000	-	2,753,183	-
School Loan Revolving Fund - Accrued Interest	54	16,905	-	16,959	-
Capital leases	665,906	-	109,640	556,266	325,047
Compensated absences	407,189	-	7,904	399,285	-
Premium on bonds	5,494,409	-	397,186	5,097,223	-
Discount on bonds	(78,108)	-	(6,536)	(71,572)	-
Total	$ 78,592,633	$ 2,766,905	$ 4,633,194	$ 76,726,344	$ 7,705,047

For governmental activities, compensated absences and capital lease liabilities are primarily liquidated by the General Fund.

General obligation bonds payable at year end, consist of the following:

$8,300,000 serial bonds due in annual installments of $ 50,000 to $ 1,425,000 starting May 1, 2020 through May 1, 2028; interest at 4.0 percent to 4.125 percent	$ 8,300,000
$ 20,675,000 serial bonds due in annual installments of $ 4,125,000 to $ 4,150,000 through May 1, 2021; interest at 1.38 percent to 2.65 percent.	16,550,000
$43,125,000 serial bonds due in annual installments of $ 2,885,000 to $ 4,150,000 starting May 1, 2018 through May 1, 2030; interest at 4.0 percent to 5.0 percent	43,125,000
Total general obligation bonded debt	$ 67,975,000

Future principal and interest requirements for bonded debt are as follows:

	Principal	Interest	Total
Year Ending June 30,			
2018	$ 7,380,000	$ 2,771,192	$ 10,151,192
2019	7,800,000	2,532,130	10,332,130
2020	8,010,000	2,259,692	10,269,692
2021	8,185,000	1,968,838	10,153,838
2022	4,225,000	1,657,862	5,882,862
2023 - 2027	21,915,000	5,448,960	27,363,960
2028 - 2032	10,460,000	964,282	11,424,282
Total	$ 67,975,000	$ 17,602,956	$ 85,577,956

The general obligation bonds are payable from the Debt Service Funds. As of year end, the fund had a balance of $ 113,667 to pay this debt. Future debt and interest will be payable from future tax levies.

Interest expenditures for the fiscal year in the General Fund and Debt Service Funds were $ 20,071 and $ 3,286,407, respectively.

School Loan Revolving Fund

The School Loan Revolving Fund payable represents notes payable to the State of Michigan for loans made to the School District, as authorized by the 1963 State of Michigan Constitution, for the purpose of paying principal and interest on general obligation bonds of the School District issued for capital expenditures. Interest rates are to be annually determined by the State Administrative Board in accordance with Section 9 of Act No. 92 of the Public Acts of 2005, as amended. Interest was charged at a rate of 3.13 - 3.22 percent during the year ended June 30, 2017. Repayment is required when the revenue from the computed millage rate exceeds the amount sufficient to pay debt service on qualified bonds. The School District is required to levy at least 7.0 mills and repay to the State any excess of the amount levied over the bonded debt service requirements. Due to recent legislated changes to the School Loan Revolving Fund program, participating districts are now required to adjust their annual millage rate to amounts between 7.0 and 13.0 mills, depending on a specified formula. Additionally, the School District has been provided a mandatory repayment date of May 1, 2036, although there are no required principal and interest payments each year. Due to the variability of the factors that affect the timing of repayment, including the future amount of state-equalized value of property in the School District, no provision for repayment has been included in the above amortization schedule. The balance at June 30, 2017 is $ 2,770,142, including accrued interest of $ 16,959.

Compensated Absences
Accrued compensated absences at year end, consist of $ 399,285 in accrued sick time benefits. The entire vested amount is considered long-term as the amount expended each year is expected to be offset by sick time earned for the year.

Note 11 - Risk Management

The School District is exposed to various risks of loss related to property loss, torts, errors and omissions, employee injuries (workers' compensation) and certain medical benefits provided to employees. The School District has purchased commercial insurance for health and vision claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in the past three fiscal years.

The School District participates in the SET-SEG risk pool (the "pool") for property loss, general liability, fleet coverage, and errors and omissions. The pool, organized under Public Act 138, is composed of School Districts throughout the State of Michigan who pay annual premiums based on the level of coverage, experience, deductible levels, etc. The pool retains the first $500,000 coverage for each individual claim with reinsurance for amounts in excess of that amount. In years when premiums exceed the claims and other costs, refunds are given based on a number of criteria, including those mentioned above. Should the plan need additional funding, the pool could also assess the members' additional charges.

The School District also participates in the SET-SEG Self-Insured Workers' Compensation Fund for claims relating to workers' compensation. This fund operates as a common risk sharing management program for school districts in Michigan. Members' premiums are used to purchase commercial excess insurance and to pay member claims in excess of deductible amounts been reported as well as those that have not yet been reported.

Note 12 - Pension Plans and Post-Employment Benefits

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

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

The System's financial statements are available at www.michigan.gov/mpsers-cafr.

Benefits Provided

Benefit provisions of the defined benefit pension plan are established by State statute, which may be amended. Public Act 300 of 1980, as amended, establishes eligibility and benefit provisions for the defined benefit (DB) pension plan. Depending on the plan option selected, member retirement benefits for DB plan members are determined by final average compensation and years of service, and a pension factor ranging from 1.25 percent to 1.50 percent. DB members are eligible to receive a monthly benefit when they meet certain age and service requirements. The System also provides disability and survivor benefits to DB plan members.

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

Contributions and Funding Status

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

Employer contributions to the System are determined on an actuarial basis using the entry age normal actuarial cost method. Under this method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated on a level basis over the service of the individual between entry age and assumed exit age. The portion of this cost allocated to the current valuation year is called the normal cost. The remainder is called the actuarial accrued liability. Normal cost is funded on a current basis. The unfunded (overfunded) actuarial accrued liability as of the September 30, 2016 valuation will be amortized over a 20 year period for the plan's 2016 fiscal year.

The schedule below summarizes pension contribution rates in effect for fiscal year 2016.

Pension Contribution Rates

Benefit Structure	Member	Employer
Basic	0.0 - 4.0%	18.95%
Member Investment Plan	3.0 - 7.0%	18.95%
Pension Plus	3.0 - 6.4%	17.73%
Defined Contribution	0.0%	14.56%

Required contributions to the pension plan from the School District were $ 1,584,513 for the year ending September 30, 2016.

Net Pension Liability

At June 30, 2017, the School District reported a liability of $ 17,604,721 for its proportionate share of the net pension liability. The net pension liability was measured as of September 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation rolled forward from September 30, 2015. The School District's proportionate share of the net pension liability was based on statutorily required contributions in relation to all employers' statutorily required contributions for the measurement period. At September 30, 2016, the School District's proportionate share percent was .0706 percent, which was an increase of .0006 percent since the prior measurement date

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

For the year ended June 30, 2017, the School District recognized total pension expense of $ 1,682,386. The School District's actual contributions for the years ended June 30, 2017, 2016, and 2015 and were approximately $ 1,585,000, $ 1,586,000, and $ 1,259,000, respectively.

At June 30, 2017, 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	$ 219,401	$ (41,724)
Changes in assumptions	275,236	-
Net difference between projected and actual earnings on pension plan investments	292,590	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	109,382	(73,284)
Employer contributions subsequent to the measurement date	1,378,596	(545,610)
Total	$ 2,275,205	$ (660,618)

$ 1,378,596 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. $ 545,610 reported as deferred inflows of resources relating to pensions resulting from employer contributions subsequent to the measurement date are 147c revenues received that will be recognized in the year ended June 30, 2018, when the related payments reduce the net pension liability.

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

Plan Year Ending September 30	Amount:
2017	$ 143,072
2018	119,983
2019	433,899
2020	84,647
Total	$ 781,601

Actuarial Assumptions
Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Additional information as of the latest actuarial valuation follows:

Summary of Actuarial Assumptions:

- Valuation Date: September 30, 2015
- Actuarial Cost Method: Entry Age, Normal
- Wage inflation rate: 3.5%
- Investment Rate of returns:
  - MIP and Basic Plans (Non-Hybrid): 8.0%
  - Pension Plus Plan (Hybrid): 7.0%
- Projected Salary Increases: 3.5-12.3%, including wage inflation at 3.5%

- Cost-of-Living Pension Adjustments: 3% Annual Non-Compounded for MIP Members
- Healthcare Cost Trend Rate: 7.5% Year 1 graded to 3.5% Year 12
- Mortality: RP-2000 Combined Healthy Life Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA (for men, 140% of the table rates for ages 0-79, 133% of the table rates for ages 80-84, and 121.8% of the table rates for ages over 84 were used and for women, 96% of the table rates were used).

Assumption changes as a result of an experience study for the periods 2007 through 2012 have been adopted by the System for use in the annual pension valuations beginning with the September 30, 2014 valuation. The total pension liability as of September 30, 2016, is based on the results of an actuarial valuation date of September 30, 2015, and rolled forward using generally accepted actuarial procedures, including the experience study. The recognition period for liabilities is the average of the expected remaining service lives of all employees in years: (4.6273 for non-university employers). The recognition period for assets in years is 5.0000. Full actuarial assumptions are available in the 2016 MPSERS Comprehensive Annual Financial Report (CAFR) (www.michigan.gov/mpsers-cafr).

Long-Term Expected Return on Plan Assets
The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2016, are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return*
Domestic Equity Pools	28.0 %	5.9
Alternative Investment Pools	18.0	9.2
International Equity	16.0	7.2
Fixed Income Pools	10.5	0.9
Real Estate and Infrastructure Pools	10.0	4.3
Absolute Return Pools	15.5	6.0
Short Term Investment Pools	2.0	0.0
	100.0%	

*Long term rate of return does not include 2.1% inflation

Discount Rate
A discount rate of 8.0% was used to measure the total pension liability (7.0% for the Pension Plus plan, a hybrid plan). This discount rate was based on the long- term expected rate of return on pension plan investments of 8.0% (7.0% for the Pension Plus plan). The projection of cash flows used to determine this discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially-determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate
The following presents the School District's proportionate share of the net pension liability, calculated using a discount rate of 8.0% (7.0% for the Hybrid Plan), as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher:

1% Decrease (Non-Hybrid/Hybrid)* 7.0% / 6.0%	Current Single Discount Rate Assumption (Non-Hybrid/Hybrid)* 8.0% / 7.0%	1% Increase (Non-Hybrid/Hybrid)* 9.0% / 8.0%
$ 22,670,450	$ 17,604,721	$ 13,333,825

**Non-university employers, the Basic plan and the Member Investment Plan (MIP) are non-hybrid plans. Pension Plus is a hybrid plan, with a defined benefit (pension) component and a defined contribution (DC) component.*

Fiduciary Net Position
Detailed information about the pension plan's fiduciary net position is available in the separately issued MPSERS CAFR. See the 2016 MPSERS CAFR (www.michigan.gov/mpsers-cafr).

Payables to the Pension Plan
There were no significant payables to the pension plan that are not ordinary accruals to the district.

Post-Employment Benefits
In addition to the pension benefits described above, state law requires the School District to provide post-employment healthcare benefits for eligible retirees and beneficiaries through the Michigan Public School Employees Retirement System (MPSERS).

The 2012 Retirement Reform included changes to retiree healthcare benefits. New employees hired after the effective date who elect this benefit are enrolled in the defined contribution Personal Healthcare Fund. This establishes a portable tax-deferred account in which the participant contributes up to 2% of their salary, and receives up to a 2% employer match. These funds can be used to pay for healthcare expenses in retirement.

Employees working prior to the enactment of the 2012 Retirement Reform have two options: (a) the Personal Healthcare Fund, or (b) the defined benefit Premium Subsidy benefit.

Employees electing the defined benefit Premium Subsidy benefit contribute 3% of their compensation, and the employer contributes an actuarially determined percent of payroll for all participants. Upon retirement members receive a premium subsidy towards health, dental and vision insurance. The subsidy is a percent of the premium cost, with the percentage varying based on several factors.

For the periods July 1, 2016 through September 30, 2016, and October 1, 2016 through June 30, 2017, the employer contribution rate ranged from 6.40% to 6.83% and 5.69% to 5.91%, respectively.

The School District's actual contributions match the required contributions for the years ended June 30, 2017, 2016, and 2015 and were approximately $ 350,000, $ 343,000, and $ 213,000, respectively.

Unfunded Accrued Liability
During the year ending June 30, 2017, the School District had contributions in the amount of $ 748,641 to the MPSERS. This amount represents the additional employer contributions attributed to the unfunded accrued actuarial liability (UAAL) rate, which was approximately 11.70% for the year ending June 30, 2017.

Note 13 - Contingent Liabilities

Amounts received or receivable from grantor agencies are subjected to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of costs which may be disallowed by the grantor cannot be determined at this time, although the School District expects such amounts, if any, to be immaterial. A separate report on federal compliance has been issued for the year June 30, 2017.

Note 14 - Tax Abatements

School Districts may receive reduced property tax revenues as a result of Industrial Facilities Tax exemptions and Brownfield Redevelopment Agreements granted by the various municipalities within the School District boundaries. 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, 2017, the School District's property tax revenues were reduced by approximately $ 35,000 under these programs.

There are no significant abatements made by the School District.

Note 15 - Subsequent Event

Subsequent to June 30, 2017, the School District has paid the balance of the $ 1,500,000 and accrued interest on the short-term state aid anticipation note borrowed during the fiscal year and has subsequently borrowed $ 1,500,000 in short-term state aid anticipation notes through the Michigan Municipal Bond Authority. Proceeds from the borrowing will be distributed to the School District in August 2017.

Also subsequent to June 30, 2017, the School District refunded the 2007 Refunding bonds. The outstanding 2007 bonds were scheduled to be called in full on August 9, 2017. The bonds were dated July 6, 2017, and the principal of $ 8,185,000 will be due in annual installments of various ranges beginning May 2021 through May 2028. Interest rates range from 2.00% - 3.00%.

REQUIRED SUPPLEMENTARY INFORMATION

New Haven Community Schools
Required Supplementary Information
Budgetary Comparison Schedule - General Fund
For the Year Ended June 30, 2017

	Budgeted Amounts			Over
	Original	Final	Actual	(Under) Budget
Revenues				
Local sources	$ 2,800,000	$ 2,808,225	$ 2,938,333	$ 130,108
State sources	8,281,920	8,377,975	8,344,476	(33,499)
Federal sources	1,085,000	935,000	883,953	(51,047)
Interdistrict sources	70,000	-	1,828	1,828
Total revenues	12,236,920	12,121,200	12,168,590	47,390
Expenditures				
Instruction				
Basic programs	5,386,000	5,622,500	5,619,043	(3,457)
Added needs	1,752,000	1,445,300	1,457,590	12,290
Supporting services				
Pupil	860,000	887,000	885,187	(1,813)
Instructional staff	250,000	187,800	177,266	(10,534)
General administration	475,000	513,800	461,880	(51,920)
School administration	700,000	887,000	857,490	(29,510)
Business	235,000	241,600	305,198	63,598
Operations and maintenance	1,400,000	1,392,500	1,302,548	(89,952)
Pupil transportation services	868,000	648,500	636,976	(11,524)
Central	71,000	65,000	56,695	(8,305)
Athletic activities	150,000	188,109	184,455	(3,654)
Community services	8,755	800	17	(783)
Capital outlay	-	53,091	54,279	1,188
Debt service				
Principal	-	111,800	109,640	(2,160)
Interest and fiscal charges	-	23,000	20,266	(2,734)
Total expenditures	12,155,755	12,267,800	12,128,530	(139,270)
Excess (deficiency) of revenues over expenditures	81,165	(146,600)	40,060	186,660

New Haven Community Schools
Required Supplementary Information
Budgetary Comparison Schedule - General Fund
For the Year Ended June 30, 2017

	Budgeted Amounts			Over
	Original	Final	Actual	(Under) Budget
Other Financing Sources				
Proceeds from sale of capital assets	20,000	4,000	19,445	15,445
Transfers in	26,000	27,100	28,000	900
Total other financing sources	46,000	31,100	47,445	16,345
Net change in fund balance	127,165	(115,500)	87,505	203,005
Fund balance - beginning	(65,100)	(65,100)	(65,100)	-
Fund balance - ending	$ 62,065	$ (180,600)	$ 22,405	$ 203,005

New Haven Community Schools
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
Michigan Public School Employees Retirement Plan
Last 10 Fiscal Years (Measurement Date September 30th)

	June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
A. School district's proportion of net pension liability (%)	0.0706%	0.0700%	0.0705%							
B. School district's proportionate share of the net pension liability	$ 17,604,721	$ 17,093,694	$ 15,517,434							
C. School district's covered-employee payroll	$ 5,990,902	$ 5,825,924	$ 5,836,149							
D. School district's proportionate share of the net pension liability as a percentage of its covered- employee payroll	293.86%	293.41%	265.88%							
E. Plan fiduciary net position as a percentage of total pension liability	63.27%	62.92%	66.20%							

New Haven Community Schools
Required Supplementary Information
Schedule of the School District's Contributions
Michigan Public School Employees Retirement Plan
Last 10 Fiscal Years

	For the Years Ended June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
A. Statutorily required contributions	$ 1,584,513	$ 1,585,992	$ 1,259,169							
B. Contributions in relation to statutorily required contributions	1,584,513	1,585,992	1,259,169							
C. Contribution deficiency (excess)	$ -	$ -	$ -							
D. School district's covered-employee payroll	5,763,093	5,743,807	5,752,258							
E. Contributions as a percentage of covered-employee payroll	27.49%	27.61%	21.89%							

Notes: **Benefit Changes** - There were no changes of benefit terms in 2016-17. **Changes in Assumptions** – There were no changes of benefit assumptions in 2016-17.

OTHER SUPPLEMENTARY INFORMATION

New Haven Community Schools
Other Supplementary Information
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2017

	Special Revenue Funds		
	Food Service	School Service/ LK&PP	Total Nonmajor Governmental Funds
Assets			
Cash and investments	$ 24,495	$ 14,256	$ 38,751
Accounts receivable	19,009	4,170	23,179
Due from other funds	18,765	-	18,765
Due from other governmental units	3,250	-	3,250
Inventory	6,597	-	6,597
Total assets	$ 72,116	$ 18,426	$ 90,542
Liabilities			
Accounts payable	$ 1,074	$ 482	$ 1,556
Due to other funds	-	17,656	17,656
Due to agency fund activities	-	288	288
Total liabilities	1,074	18,426	19,500
Fund Balance			
Non-spendable			
Inventory	6,597	-	6,597
Restricted for			
Food service	64,445	-	64,445
Total fund balance	71,042	-	71,042
Total liabilities and fund balance	$ 72,116	$ 18,426	$ 90,542

New Haven Community Schools
Other Supplementary Information
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2017

	Special Revenue Funds		Capital Project Funds		
	Food Service	School Service/ LK&PP	1997 Building and Site	2002 Building and Site	Total Nonmajor Governmenta Funds
Revenues					
Local sources	$ 115,836	$ 231,784	$ -	$ -	$ 347,620
State sources	16,695	-	-	-	16,695
Federal sources	323,901	-	-	-	323,901
Total revenues	456,432	231,784	-	-	688,216
Expenditures					
Current					
Education					
Supporting services	-	133	-	-	133
Food services	495,270	-	-	-	495,270
Community services	-	231,651	-	-	231,651
Facilities acquisition	-	-	2,275	5,010	7,285
Total expenditures	495,270	231,784	2,275	5,010	734,339
Deficiency of revenues over expenditures	(38,838)	-	(2,275)	(5,010)	(46,123)
Other Financing Uses					
Transfers out	(28,000)	-	-	-	(28,000)
Net change in fund balance	(66,838)	-	(2,275)	(5,010)	(74,123)
Fund balance - beginning	137,880	-	2,275	5,010	145,165
Fund balance - ending	$ 71,042	$ -	$ -	$ -	$ 71,042

New Haven Community Schools
Other Supplementary Information
Schedule of Outstanding Bonded Indebtedness
June 30, 2017

Year Ending June 30,	2016 Refunding Principal	2015 Refunding Principal	2007 Refunding Principal	Total
2018	$ 3,255,000	$ 4,125,000	$ -	$ 7,380,000
2019	3,675,000	4,125,000	-	7,800,000
2020	3,810,000	4,150,000	50,000	8,010,000
2021	3,960,000	4,150,000	75,000	8,185,000
2022	4,150,000	-	75,000	4,225,000
2023	3,525,000	-	900,000	4,425,000
2024	2,950,000	-	1,450,000	4,400,000
2025	2,920,000	-	1,450,000	4,370,000
2026	2,885,000	-	1,450,000	4,335,000
2027	2,960,000	-	1,425,000	4,385,000
2028	2,990,000	-	1,425,000	4,415,000
2029	3,015,000	-	-	3,015,000
2030	3,030,000	-	-	3,030,000
Total	$ 43,125,000	$ 16,550,000	$ 8,300,000	$ 67,975,000
Principal payments due the first day of	May	May	May	
Interest payments due the first day of	May and November	May and November	May and November	
Interest rate	4.00% - 5.00%	1.38% - 2.65%	4.00% - 4.13%	
Original issue	$ 43,125,000	$ 20,675,000	$ 8,300,000	